

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-16337

**OIL STATES INTERNATIONAL, INC.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

76-0476605

(I.R.S. Employer  
Identification No.)

Three Allen Center, 333 Clay Street

Suite 4620

Houston, Texas

(Address of principal executive offices)

77002

(Zip Code)

(713) 652-0582

(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

| <u>Title of each class</u>               | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|------------------------------------------|--------------------------|--------------------------------------------------|
| Common stock, par value \$0.01 per share | OIS                      | New York Stock Exchange                          |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒

No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒

No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐

Non-accelerated filer ☐

Accelerated filer ☒

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐

No ☒

As of July 25, 2025, the number of shares of common stock outstanding was 60,592,651.

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# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## PART I – FINANCIAL INFORMATION

### ITEM 1. Financial Statements

#### UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands, Except Per Share Amounts)

|                                                                                       | Three Months Ended June 30, |                 | Six Months Ended June 30, |                    |
|---------------------------------------------------------------------------------------|-----------------------------|-----------------|---------------------------|--------------------|
|                                                                                       | 2025                        | 2024            | 2025                      | 2024               |
| Revenues:                                                                             |                             |                 |                           |                    |
| Products                                                                              | \$ 107,342                  | \$ 108,579      | \$ 207,893                | \$ 202,908         |
| Services                                                                              | 58,064                      | 77,804          | 117,451                   | 150,737            |
|                                                                                       | <u>165,406</u>              | <u>186,383</u>  | <u>325,344</u>            | <u>353,645</u>     |
| Costs and expenses:                                                                   |                             |                 |                           |                    |
| Product costs                                                                         | 83,936                      | 82,503          | 164,265                   | 157,640            |
| Service costs                                                                         | 41,404                      | 59,530          | 83,752                    | 116,344            |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | <u>125,340</u>              | <u>142,033</u>  | <u>248,017</u>            | <u>273,984</u>     |
| Selling, general and administrative expense                                           | 22,981                      | 26,373          | 45,511                    | 48,869             |
| Depreciation and amortization expense                                                 | 11,898                      | 14,698          | 23,923                    | 28,893             |
| Impairment of goodwill                                                                | —                           | —               | —                         | 10,000             |
| Impairments of operating lease assets                                                 | 1,358                       | —               | 1,358                     | —                  |
| Other operating (income) expense, net                                                 | (1,448)                     | 1,234           | (4,381)                   | 1,031              |
|                                                                                       | <u>160,129</u>              | <u>184,338</u>  | <u>314,428</u>            | <u>362,777</u>     |
| Operating income (loss)                                                               | <u>5,277</u>                | <u>2,045</u>    | <u>10,916</u>             | <u>(9,132)</u>     |
| Interest expense, net                                                                 | (1,692)                     | (2,061)         | (3,270)                   | (4,162)            |
| Other income, net                                                                     | 636                         | 652             | 774                       | 580                |
| Income (loss) before income taxes                                                     | <u>4,221</u>                | <u>636</u>      | <u>8,420</u>              | <u>(12,714)</u>    |
| Income tax benefit (provision)                                                        | <u>(1,410)</u>              | <u>665</u>      | <u>(2,451)</u>            | <u>641</u>         |
| Net income (loss)                                                                     | <u>\$ 2,811</u>             | <u>\$ 1,301</u> | <u>\$ 5,969</u>           | <u>\$ (12,073)</u> |
| Net income (loss) per share:                                                          |                             |                 |                           |                    |
| Basic                                                                                 | \$ 0.05                     | \$ 0.02         | \$ 0.10                   | \$ (0.19)          |
| Diluted                                                                               | 0.05                        | 0.02            | 0.10                      | (0.19)             |
| Weighted average number of common shares outstanding:                                 |                             |                 |                           |                    |
| Basic                                                                                 | 59,154                      | 62,483          | 59,661                    | 62,493             |
| Diluted                                                                               | 59,154                      | 62,704          | 59,661                    | 62,493             |

The accompanying notes are an integral part of these financial statements.

**OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**

**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(In Thousands)

|                                    | Three Months Ended June 30, |                   | Six Months Ended June 30, |                    |
|------------------------------------|-----------------------------|-------------------|---------------------------|--------------------|
|                                    | 2025                        | 2024              | 2025                      | 2024               |
| Net income (loss)                  | \$ 2,811                    | \$ 1,301          | \$ 5,969                  | \$ (12,073)        |
| Other comprehensive income (loss): |                             |                   |                           |                    |
| Currency translation adjustments   | 9,092                       | (3,151)           | 14,631                    | (6,178)            |
| Comprehensive income (loss)        | <u>\$ 11,903</u>            | <u>\$ (1,850)</u> | <u>\$ 20,600</u>          | <u>\$ (18,251)</u> |

The accompanying notes are an integral part of these financial statements.

**OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**  
(In Thousands, Except Share Amounts)

|                                                                                                                            | <b>June 30,<br/>2025</b> | <b>December 31, 2024</b> |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                                                                            | <b>(Unaudited)</b>       |                          |
| <b>ASSETS</b>                                                                                                              |                          |                          |
| Current assets:                                                                                                            |                          |                          |
| Cash and cash equivalents                                                                                                  | \$ 53,858                | \$ 65,363                |
| Accounts receivable, net                                                                                                   | 196,706                  | 194,336                  |
| Inventories, net                                                                                                           | 216,430                  | 214,836                  |
| Prepaid expenses and other current assets                                                                                  | 20,660                   | 23,691                   |
| Total current assets                                                                                                       | 487,654                  | 498,226                  |
| Property, plant, and equipment, net                                                                                        | 273,674                  | 266,871                  |
| Operating lease assets, net                                                                                                | 17,799                   | 19,537                   |
| Goodwill, net                                                                                                              | 70,751                   | 69,709                   |
| Other intangible assets, net                                                                                               | 118,714                  | 125,862                  |
| Other noncurrent assets                                                                                                    | 25,153                   | 24,903                   |
| Total assets                                                                                                               | \$ 993,745               | \$ 1,005,108             |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                |                          |                          |
| Current liabilities:                                                                                                       |                          |                          |
| Current portion of long-term debt                                                                                          | \$ 108,813               | \$ 633                   |
| Accounts payable                                                                                                           | 57,579                   | 57,708                   |
| Accrued liabilities                                                                                                        | 35,351                   | 36,861                   |
| Current operating lease liabilities                                                                                        | 7,689                    | 7,284                    |
| Income taxes payable                                                                                                       | 712                      | 2,818                    |
| Deferred revenue                                                                                                           | 50,307                   | 52,399                   |
| Total current liabilities                                                                                                  | 260,451                  | 157,703                  |
| Long-term debt                                                                                                             | 1,916                    | 124,654                  |
| Long-term operating lease liabilities                                                                                      | 15,772                   | 17,989                   |
| Deferred income taxes                                                                                                      | 6,534                    | 5,350                    |
| Other noncurrent liabilities                                                                                               | 18,434                   | 18,758                   |
| Total liabilities                                                                                                          | 303,107                  | 324,454                  |
| Stockholders' equity:                                                                                                      |                          |                          |
| Common stock, \$.01 par value, 200,000,000 shares authorized, 80,623,166 shares and 78,605,848 shares issued, respectively | 806                      | 786                      |
| Additional paid-in capital                                                                                                 | 1,141,788                | 1,137,949                |
| Retained earnings                                                                                                          | 279,629                  | 273,660                  |
| Accumulated other comprehensive loss                                                                                       | (64,901)                 | (79,532)                 |
| Treasury stock, at cost, 20,013,495 and 17,112,853 shares, respectively                                                    | (666,684)                | (652,209)                |
| Total stockholders' equity                                                                                                 | 690,638                  | 680,654                  |
| Total liabilities and stockholders' equity                                                                                 | \$ 993,745               | \$ 1,005,108             |

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

**UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In Thousands)

**Three Months Ended June 30, 2025**

|                                                                    | Common<br>Stock | Additional<br>Paid-In<br>Capital | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Loss | Treasury<br>Stock   | Total<br>Stockholders'<br>Equity |
|--------------------------------------------------------------------|-----------------|----------------------------------|----------------------|-----------------------------------------------|---------------------|----------------------------------|
| <b>Balance, March 31, 2025</b>                                     | \$ 805          | \$ 1,139,768                     | \$ 276,818           | \$ (73,993)                                   | \$ (659,987)        | \$ 683,411                       |
| Net income                                                         | —               | —                                | 2,811                | —                                             | —                   | 2,811                            |
| Currency translation adjustments (excluding intercompany advances) | —               | —                                | —                    | 7,205                                         | —                   | 7,205                            |
| Currency translation adjustments on intercompany advances          | —               | —                                | —                    | 1,887                                         | —                   | 1,887                            |
| Stock-based compensation expense                                   | 1               | 2,020                            | —                    | —                                             | —                   | 2,021                            |
| Surrender of stock to settle taxes on stock awards                 | —               | —                                | —                    | —                                             | —                   | —                                |
| Stock repurchases                                                  | —               | —                                | —                    | —                                             | (6,697)             | (6,697)                          |
| <b>Balance, June 30, 2025</b>                                      | <u>\$ 806</u>   | <u>\$ 1,141,788</u>              | <u>\$ 279,629</u>    | <u>\$ (64,901)</u>                            | <u>\$ (666,684)</u> | <u>\$ 690,638</u>                |

**Six Months Ended June 30, 2025**

|                                                                    | Common<br>Stock | Additional<br>Paid-In<br>Capital | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Loss | Treasury<br>Stock   | Total<br>Stockholders'<br>Equity |
|--------------------------------------------------------------------|-----------------|----------------------------------|----------------------|-----------------------------------------------|---------------------|----------------------------------|
| <b>Balance, December 31, 2024</b>                                  | \$ 786          | \$ 1,137,949                     | \$ 273,660           | \$ (79,532)                                   | \$ (652,209)        | \$ 680,654                       |
| Net income                                                         | —               | —                                | 5,969                | —                                             | —                   | 5,969                            |
| Currency translation adjustments (excluding intercompany advances) | —               | —                                | —                    | 10,541                                        | —                   | 10,541                           |
| Currency translation adjustments on intercompany advances          | —               | —                                | —                    | 4,090                                         | —                   | 4,090                            |
| Stock-based compensation expense                                   | 20              | 3,839                            | —                    | —                                             | —                   | 3,859                            |
| Surrender of stock to settle taxes on stock awards                 | —               | —                                | —                    | —                                             | (2,432)             | (2,432)                          |
| Stock repurchases                                                  | —               | —                                | —                    | —                                             | (12,043)            | (12,043)                         |
| <b>Balance, June 30, 2025</b>                                      | <u>\$ 806</u>   | <u>\$ 1,141,788</u>              | <u>\$ 279,629</u>    | <u>\$ (64,901)</u>                            | <u>\$ (666,684)</u> | <u>\$ 690,638</u>                |

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

**UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In Thousands)

**Three Months Ended June 30, 2024**

|                                                                    | Common Stock  | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Treasury Stock      | Total Stockholders' Equity |
|--------------------------------------------------------------------|---------------|----------------------------|-------------------|--------------------------------------|---------------------|----------------------------|
| <b>Balance, March 31, 2024</b>                                     | \$ 785        | \$ 1,130,979               | \$ 271,544        | \$ (73,011)                          | \$ (637,979)        | \$ 692,318                 |
| Net income                                                         | —             | —                          | 1,301             | —                                    | —                   | 1,301                      |
| Currency translation adjustments (excluding intercompany advances) | —             | —                          | —                 | (79)                                 | —                   | (79)                       |
| Currency translation adjustments on intercompany advances          | —             | —                          | —                 | (3,072)                              | —                   | (3,072)                    |
| Stock-based compensation expense                                   | 1             | 2,303                      | —                 | —                                    | —                   | 2,304                      |
| Surrender of stock to settle taxes on stock awards                 | —             | —                          | —                 | —                                    | (9)                 | (9)                        |
| Stock repurchases                                                  | —             | —                          | —                 | —                                    | (2,374)             | (2,374)                    |
| <b>Balance, June 30, 2024</b>                                      | <u>\$ 786</u> | <u>\$ 1,133,282</u>        | <u>\$ 272,845</u> | <u>\$ (76,162)</u>                   | <u>\$ (640,362)</u> | <u>\$ 690,389</u>          |

**Six Months Ended June 30, 2024**

|                                                                    | Common Stock  | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Treasury Stock      | Total Stockholders' Equity |
|--------------------------------------------------------------------|---------------|----------------------------|-------------------|--------------------------------------|---------------------|----------------------------|
| <b>Balance, December 31, 2023</b>                                  | \$ 772        | \$ 1,129,240               | \$ 284,918        | \$ (69,984)                          | \$ (635,401)        | \$ 709,545                 |
| Net loss                                                           | —             | —                          | (12,073)          | —                                    | —                   | (12,073)                   |
| Currency translation adjustments (excluding intercompany advances) | —             | —                          | —                 | (974)                                | —                   | (974)                      |
| Currency translation adjustments on intercompany advances          | —             | —                          | —                 | (5,204)                              | —                   | (5,204)                    |
| Stock-based compensation expense                                   | 14            | 4,042                      | —                 | —                                    | —                   | 4,056                      |
| Surrender of stock to settle taxes on stock awards                 | —             | —                          | —                 | —                                    | (2,587)             | (2,587)                    |
| Stock repurchases                                                  | —             | —                          | —                 | —                                    | (2,374)             | (2,374)                    |
| <b>Balance, June 30, 2024</b>                                      | <u>\$ 786</u> | <u>\$ 1,133,282</u>        | <u>\$ 272,845</u> | <u>\$ (76,162)</u>                   | <u>\$ (640,362)</u> | <u>\$ 690,389</u>          |

The accompanying notes are an integral part of these financial statements.

**OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In Thousands)

|                                                                                                    | Six Months Ended June 30, |                  |
|----------------------------------------------------------------------------------------------------|---------------------------|------------------|
|                                                                                                    | 2025                      | 2024             |
| Cash flows from operating activities:                                                              |                           |                  |
| Net income (loss)                                                                                  | \$ 5,969                  | \$ (12,073)      |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: |                           |                  |
| Depreciation and amortization expense                                                              | 23,923                    | 28,893           |
| Impairment of goodwill                                                                             | —                         | 10,000           |
| Impairments of operating lease assets                                                              | 1,358                     | —                |
| Stock-based compensation expense                                                                   | 3,859                     | 4,056            |
| Amortization of deferred financing costs                                                           | 660                       | 841              |
| Deferred income tax provision (benefit)                                                            | 669                       | (2,299)          |
| Gains on disposals of assets                                                                       | (4,282)                   | (1,355)          |
| Gains on extinguishment of convertible senior notes                                                | (381)                     | (515)            |
| Other, net                                                                                         | (1,423)                   | (379)            |
| Changes in operating assets and liabilities, net of effect from acquired business:                 |                           |                  |
| Accounts receivable                                                                                | 2,601                     | (2,335)          |
| Inventories                                                                                        | 1,348                     | (16,436)         |
| Accounts payable and accrued liabilities                                                           | (1,014)                   | (9,504)          |
| Deferred revenue                                                                                   | (2,092)                   | (2,353)          |
| Other operating assets and liabilities, net                                                        | (6,905)                   | 2,341            |
| Net cash flows provided by (used in) operating activities                                          | <u>24,290</u>             | <u>(1,118)</u>   |
| Cash flows from investing activities:                                                              |                           |                  |
| Capital expenditures                                                                               | (19,480)                  | (15,881)         |
| Proceeds from disposition of property and equipment                                                | 4,217                     | 2,472            |
| Proceeds from disposition of assets held for sale                                                  | 8,409                     | 10,279           |
| Other, net                                                                                         | (62)                      | (68)             |
| Net cash flows used in investing activities                                                        | <u>(6,916)</u>            | <u>(3,198)</u>   |
| Cash flows from financing activities:                                                              |                           |                  |
| Revolving credit facility borrowings                                                               | 204                       | 22,619           |
| Revolving credit facility repayments                                                               | (204)                     | (22,619)         |
| Purchases of 4.75% convertible senior notes                                                        | (14,284)                  | (10,846)         |
| Other debt and finance lease repayments                                                            | (344)                     | (318)            |
| Payment of financing costs                                                                         | (7)                       | (1,111)          |
| Purchases of treasury stock                                                                        | (12,043)                  | (2,374)          |
| Shares added to treasury stock as a result of net share settlements due to vesting of stock awards | (2,432)                   | (2,587)          |
| Net cash flows used in financing activities                                                        | <u>(29,110)</u>           | <u>(17,236)</u>  |
| Effect of exchange rate changes on cash and cash equivalents                                       | 231                       | (371)            |
| Net change in cash and cash equivalents                                                            | <u>(11,505)</u>           | <u>(21,923)</u>  |
| Cash and cash equivalents, beginning of period                                                     | 65,363                    | 47,111           |
| Cash and cash equivalents, end of period                                                           | <u>\$ 53,858</u>          | <u>\$ 25,188</u> |
| Cash paid for:                                                                                     |                           |                  |
| Interest                                                                                           | \$ 3,628                  | \$ 3,899         |
| Income taxes, net                                                                                  | 3,660                     | 1,346            |

The accompanying notes are an integral part of these financial statements.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Organization and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Oil States International, Inc. and its subsidiaries (the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission pertaining to interim financial information. Certain information in footnote disclosures normally included with financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) have been condensed or omitted pursuant to these rules and regulations. The unaudited financial statements included in this report reflect all the adjustments, consisting of normal recurring adjustments, which the Company considers necessary for a fair statement of the results of operations for the interim periods covered and for the financial condition of the Company at the date of the interim balance sheet. Results for the interim periods are not necessarily indicative of results for the full year.

The preparation of condensed consolidated financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include, but are not limited to, goodwill and long-lived asset impairments, revenue and income recognized over time, valuation allowances recorded on deferred tax assets, reserves on inventory, allowances for doubtful accounts, settlement of litigation and potential future adjustments related to contractual indemnification and other agreements. Actual results could materially differ from those estimates.

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, which are adopted by the Company as of the specified effective date. Management believes that recently issued standards, which are not yet effective, will not have a material impact on the Company’s consolidated financial statements upon adoption.

The financial statements included in this report should be read in conjunction with the Company’s audited financial statements and accompanying notes included in its Annual Report on Form 10-K for the year ended December 31, 2024.

### 2. Asset Impairments and Other Charges and Credits

Management has implemented certain cost reduction actions including: the consolidation, relocation and exit of certain operating locations; the exit of certain service offerings; reductions in the Company’s workforce in the United States; and the realignment in 2024 of operations within two of the Company’s reportable segments. The Company also incurred legal costs associated with patent defense and purchased a portion of its outstanding 4.75% convertible senior notes (the “2026 Notes”) at a discount. As a result of these events, actions and assessments, the Company recorded the following charges and credits during the three and six months ended June 30, 2025 and 2024 (in thousands):

|                                         | Offshore<br>Manufactured<br>Products | Completion and<br>Production Services | Downhole<br>Technologies | Corporate       | Total           |
|-----------------------------------------|--------------------------------------|---------------------------------------|--------------------------|-----------------|-----------------|
| <b>Three Months Ended June 30, 2025</b> |                                      |                                       |                          |                 |                 |
| Impairment of operating lease assets    | \$ —                                 | \$ 403                                | \$ 955                   | \$ —            | \$ 1,358        |
| Facility exit charges                   | 273                                  | 1,776                                 | 252                      | —               | 2,301           |
| Gains on extinguishment of debt         | —                                    | —                                     | —                        | (381)           | (381)           |
| Pre-tax totals                          | <u>\$ 273</u>                        | <u>\$ 2,179</u>                       | <u>\$ 1,207</u>          | <u>\$ (381)</u> | <u>3,278</u>    |
| Income tax benefit                      |                                      |                                       |                          |                 | 688             |
| After-tax total                         |                                      |                                       |                          |                 | <u>\$ 2,590</u> |
| <b>Six Months Ended June 30, 2025</b>   |                                      |                                       |                          |                 |                 |
| Impairment of operating lease assets    | \$ —                                 | \$ 403                                | \$ 955                   | \$ —            | \$ 1,358        |
| Facility exit charges                   | 273                                  | 2,706                                 | 252                      | —               | 3,231           |
| Gains on extinguishment of debt         | —                                    | —                                     | —                        | (381)           | (381)           |
| Pre-tax totals                          | <u>\$ 273</u>                        | <u>\$ 3,109</u>                       | <u>\$ 1,207</u>          | <u>\$ (381)</u> | <u>4,208</u>    |
| Income tax benefit                      |                                      |                                       |                          |                 | 884             |
| After-tax total                         |                                      |                                       |                          |                 | <u>\$ 3,324</u> |

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

|                                          | Offshore<br>Manufactured<br>Products | Completion and<br>Production Services | Downhole<br>Technologies | Corporate | Total     |
|------------------------------------------|--------------------------------------|---------------------------------------|--------------------------|-----------|-----------|
| <b>Three Months Ended June 30, 2024</b>  |                                      |                                       |                          |           |           |
| Impairment of goodwill                   | \$ —                                 | \$ —                                  | \$ —                     | \$ —      | \$ —      |
| Facility consolidation and other charges | 1,547                                | 1,916                                 | —                        | —         | 3,463     |
| Patent defense costs                     | —                                    | 963                                   | —                        | —         | 963       |
| Gains on extinguishment of debt          | —                                    | —                                     | —                        | (515)     | (515)     |
| Pre-tax totals                           | \$ 1,547                             | \$ 2,879                              | \$ —                     | \$ (515)  | 3,911     |
| Income tax benefit                       |                                      |                                       |                          |           | 821       |
| After-tax total                          |                                      |                                       |                          |           | \$ 3,090  |
| <b>Six Months Ended June 30, 2024</b>    |                                      |                                       |                          |           |           |
| Impairment of goodwill                   | \$ —                                 | \$ —                                  | \$ 10,000                | \$ —      | \$ 10,000 |
| Facility consolidation and other charges | 3,010                                | 2,601                                 | —                        | —         | 5,611     |
| Patent defense costs                     | —                                    | 1,324                                 | —                        | —         | 1,324     |
| Gains on extinguishment of debt          | —                                    | —                                     | —                        | (515)     | (515)     |
| Pre-tax totals                           | \$ 3,010                             | \$ 3,925                              | \$ 10,000                | \$ (515)  | 16,420    |
| Income tax benefit                       |                                      |                                       |                          |           | 1,829     |
| After-tax total                          |                                      |                                       |                          |           | \$ 14,591 |

### Goodwill

The Company's remaining goodwill exists in the Offshore Manufactured Products segment, totaling \$70.8 million and \$69.7 million, respectively, as of June 30, 2025 and December 31, 2024.

The Company does not amortize goodwill, but rather assesses goodwill for impairment annually and when an event occurs or circumstances change that indicate the carrying amounts may not be recoverable. If the carrying amount of a reporting unit exceeds its fair value, goodwill is considered impaired and an impairment loss is recorded.

Management uses a combination of valuation methodologies including the income approach and guideline public company comparables. The fair values of each of the Company's reporting units were determined using significant unobservable inputs (Level 3 fair value measurements). The income approach estimates fair value by discounting the Company's forecasts of future cash flows by a discount rate (expected return) that a market participant is expected to require on its investment.

Significant assumptions and estimates used in the income approach include, among others, estimated future net annual cash flows and discount rates for each reporting unit, current and anticipated market conditions, estimated growth rates and historical data. These estimates rely upon significant management judgment.

In the first quarter of 2024, certain short-cycle, consumable product operations historically reported within the Offshore Manufactured Products segment (legacy frac plug and elastomer products) were integrated into the Downhole Technologies segment to better align with the underlying activity demand drivers and current segment management structure, as well as provide for additional operational synergies. In connection with this realignment, goodwill of \$10.0 million was reassigned from the Offshore Manufactured Products segment to the Downhole Technologies segment based on estimated relative fair values. The Company performed an interim quantitative assessment of goodwill recorded within the Offshore Manufactured Products segment as of February 29, 2024 (prior to realignment) which indicated that the fair value of the reporting unit exceeded its carrying value.

The Company also performed an interim quantitative assessment of goodwill transferred to the Downhole Technologies segment (subsequent to the realignment). This interim assessment indicated that the fair value of the reporting unit was less than its carrying amount and the Company concluded that goodwill reassigned to the Downhole Technologies business was fully impaired. The Company therefore recognized a non-cash goodwill impairment charge totaling \$10.0 million in the first quarter of 2024.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 3. Details of Selected Balance Sheet Accounts

Additional information regarding selected balance sheet accounts as of June 30, 2025 and December 31, 2024 is presented below (in thousands):

|                                                                              | June 30,<br>2025  | December 31,<br>2024 |
|------------------------------------------------------------------------------|-------------------|----------------------|
| <b>Accounts receivable, net:</b>                                             |                   |                      |
| Trade                                                                        | \$ 116,960        | \$ 128,167           |
| Unbilled revenue                                                             | 17,467            | 22,242               |
| Contract assets                                                              | 58,027            | 40,101               |
| Other                                                                        | 7,252             | 6,440                |
| Total accounts receivable                                                    | 199,706           | 196,950              |
| Allowance for doubtful accounts                                              | (3,000)           | (2,614)              |
|                                                                              | <u>\$ 196,706</u> | <u>\$ 194,336</u>    |
| Allowance for doubtful accounts as a percentage of total accounts receivable | 2 %               | 1 %                  |

|                                                | June 30,<br>2025 | December 31,<br>2024 |
|------------------------------------------------|------------------|----------------------|
| <b>Deferred revenue (contract liabilities)</b> | <u>\$ 50,307</u> | <u>\$ 52,399</u>     |

As of June 30, 2025, accounts receivable, net in the United States and the United Kingdom represented 58% and 20%, respectively, of the total. No other country or single customer accounted for more than 10% of the Company's total accounts receivable as of June 30, 2025.

For the six months ended June 30, 2025, the \$17.9 million net increase in contract assets was primarily attributable to \$38.3 million in revenue recognized during the period, which was partially offset by \$20.4 million transferred to accounts receivable. Deferred revenue (contract liabilities) decreased by \$2.1 million in the first six months of 2025, primarily reflecting the recognition of \$23.7 million of revenue that was deferred at the beginning of the period, partially offset by \$20.2 million in new customer billings which were not recognized as revenue during the period.

The following provides a summary of activity in the allowance for doubtful accounts for the six months ended June 30, 2025 and 2024 (in thousands):

|                                             | Six Months Ended June 30, |                 |
|---------------------------------------------|---------------------------|-----------------|
|                                             | 2025                      | 2024            |
| Allowance for doubtful accounts – January 1 | \$ 2,614                  | \$ 4,497        |
| Provisions                                  | 99                        | 135             |
| Write-offs                                  | (42)                      | (655)           |
| Other                                       | 329                       | (9)             |
| Allowance for doubtful accounts – June 30   | <u>\$ 3,000</u>           | <u>\$ 3,968</u> |

|                                            | June 30,<br>2025  | December 31,<br>2024 |
|--------------------------------------------|-------------------|----------------------|
| <b>Inventories, net:</b>                   |                   |                      |
| Finished goods and purchased products      | \$ 111,022        | \$ 110,850           |
| Work in process                            | 36,342            | 34,539               |
| Raw materials                              | 106,765           | 108,421              |
| Total inventories                          | 254,129           | 253,810              |
| Allowance for excess or obsolete inventory | (37,699)          | (38,974)             |
|                                            | <u>\$ 216,430</u> | <u>\$ 214,836</u>    |

**OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Continued)

|                                            | June 30,<br>2025  | December 31,<br>2024 |
|--------------------------------------------|-------------------|----------------------|
| <b>Property, plant and equipment, net:</b> |                   |                      |
| Property, plant and equipment              | \$ 754,482        | \$ 734,548           |
| Accumulated depreciation                   | (480,808)         | (467,677)            |
|                                            | <u>\$ 273,674</u> | <u>\$ 266,871</u>    |

For the three months ended June 30, 2025 and 2024, depreciation expense was \$8.1 million and \$10.4 million, respectively. Depreciation expense was \$16.4 million and \$20.3 million, respectively, for the six months ended June 30, 2025 and 2024.

|                                 | June 30, 2025               |                             |                        | December 31, 2024           |                             |                        |
|---------------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|-----------------------------|------------------------|
|                                 | Gross<br>Carrying<br>Amount | Accumulated<br>Amortization | Net Carrying<br>Amount | Gross<br>Carrying<br>Amount | Accumulated<br>Amortization | Net Carrying<br>Amount |
| <b>Other intangible assets:</b> |                             |                             |                        |                             |                             |                        |
| Customer relationships          | \$ 123,132                  | \$ 59,303                   | \$ 63,829              | \$ 122,859                  | \$ 55,534                   | \$ 67,325              |
| Patents/Technology/Know-how     | 70,437                      | 42,315                      | 28,122                 | 70,206                      | 39,699                      | 30,507                 |
| Tradenames and other            | 47,758                      | 20,995                      | 26,763                 | 47,729                      | 19,699                      | 28,030                 |
|                                 | <u>\$ 241,327</u>           | <u>\$ 122,613</u>           | <u>\$ 118,714</u>      | <u>\$ 240,794</u>           | <u>\$ 114,932</u>           | <u>\$ 125,862</u>      |

For the three months ended June 30, 2025 and 2024, amortization expense was \$3.8 million and \$4.3 million, respectively. Amortization expense was \$7.6 million and \$8.5 million for the six months ended June 30, 2025 and 2024, respectively.

|                                 | June 30,<br>2025 | December 31,<br>2024 |
|---------------------------------|------------------|----------------------|
| <b>Other noncurrent assets:</b> |                  |                      |
| Deferred compensation plan      | \$ 18,076        | \$ 18,245            |
| Deferred financing costs        | 1,350            | 1,619                |
| Deferred income taxes           | 2,264            | 1,964                |
| Other                           | 3,463            | 3,075                |
|                                 | <u>\$ 25,153</u> | <u>\$ 24,903</u>     |

|                                        | June 30,<br>2025 | December 31,<br>2024 |
|----------------------------------------|------------------|----------------------|
| <b>Accrued liabilities:</b>            |                  |                      |
| Accrued compensation                   | \$ 17,138        | \$ 22,350            |
| Accrued taxes, other than income taxes | 3,315            | 1,234                |
| Insurance liabilities                  | 3,303            | 3,383                |
| Accrued interest                       | 1,376            | 1,555                |
| Accrued commissions                    | 3,191            | 3,237                |
| Other                                  | 7,028            | 5,102                |
|                                        | <u>\$ 35,351</u> | <u>\$ 36,861</u>     |

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 4. Long-term Debt

As of June 30, 2025 and December 31, 2024, long-term debt consisted of the following (in thousands):

|                                          | June 30,<br>2025 | December 31,<br>2024 |
|------------------------------------------|------------------|----------------------|
| Revolving credit facility <sup>(1)</sup> | \$ —             | \$ —                 |
| 2026 Notes <sup>(2)</sup>                | 108,222          | 122,505              |
| Other debt and finance lease obligations | 2,507            | 2,782                |
| Total debt                               | 110,729          | 125,287              |
| Less: Current portion                    | (108,813)        | (633)                |
| Total long-term debt                     | \$ 1,916         | \$ 124,654           |

(1) Unamortized deferred financing costs of \$1.4 million and \$1.6 million as of June 30, 2025 and December 31, 2024, respectively, are presented in other noncurrent assets.

(2) The outstanding principal amount of the 2026 Notes was \$108.8 million as of June 30, 2025 and \$123.5 million as of December 31, 2024.

### Revolving Credit Facility

#### Through July 27, 2025

The Company has a senior secured credit facility, which provides for an asset-based revolving credit facility (the “ABL Facility”), under which credit availability is subject to a borrowing base calculation.

The ABL Facility is governed by a credit agreement, with Wells Fargo Bank, National Association, as administrative agent and the lenders and other financial institutions from time to time party thereto (as amended, the “ABL Agreement”). The ABL Facility matures on February 16, 2028, with a springing maturity 91 days prior to the stated maturity of any outstanding indebtedness with an outstanding principal balance equal to or greater than \$17.5 million.

The ABL Agreement provides funding based on a borrowing base calculation that includes eligible U.S. customer accounts receivable and inventory and, prior to July 28, 2025, provided for aggregate lender commitments of \$125.0 million, including a \$50.0 million sub-limit for the issuance of letters of credit. Borrowings under the ABL Agreement are secured by a pledge of substantially all of the Company’s domestic assets (other than real property) and the stock of certain foreign subsidiaries.

Borrowings under the ABL Agreement bear interest at a rate equal to the Secured Overnight Financing Rate (“SOFR”) (subject to a floor rate of 0%) plus, prior to July 28, 2025, a margin of 2.75% to 3.25%, or at a base rate plus a margin of 1.75% to 2.25%, in each case based on average borrowing availability. Monthly, the Company must also pay a commitment fee of either 0.375% or 0.50% per annum, based on average unused commitments under the ABL Agreement.

The ABL Agreement places restrictions on the Company’s ability to incur additional indebtedness, grant liens on assets, pay dividends or make distributions on equity interests, dispose of assets, make investments, repay other indebtedness (including the 2026 Notes discussed below), engage in mergers, and other matters, in each case, subject to certain exceptions. The ABL Agreement contains customary default provisions, which, if triggered, could result in acceleration of repayment of all amounts then outstanding. The ABL Agreement also requires the Company to satisfy and maintain a fixed charge coverage ratio of not less than 1.0 to 1.0 (i) in the event that availability under the ABL Agreement is less than the greater of (a) 15% of the “line cap” (which is the lesser of the maximum revolver amount and the borrowing base) and prior to July 28, 2025, (b) approximately \$14.1 million; (ii) to complete certain specified transactions; or (iii) if an event of default has occurred and is continuing.

As of June 30, 2025, the Company had no borrowings outstanding under the ABL Agreement and \$17.1 million of outstanding letters of credit. The total amount available to be drawn as of June 30, 2025 was \$59.3 million, calculated based on the then-current borrowing base less outstanding borrowings, if any, and letters of credit. As of June 30, 2025, the Company was in compliance with its debt covenants under the ABL Agreement.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### Effective July 28, 2025

On July 28, 2025, the ABL Agreement was amended to increase advance rates, lower interest charges and plan for the retirement of all 2026 Notes that remain outstanding at maturity in April of 2026. The following provides a summary of the more significant modifications to the ABL Agreement:

|                                                         | Through July 27, 2025                                                                                                                                                                        | Effective July 28, 2025                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Lender commitments</b>                               | \$125.0 million                                                                                                                                                                              | \$100.0 million                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Maturity</b>                                         | Earlier of (i) February 16, 2028 and (ii) 91 days prior to the stated maturity of any outstanding indebtedness with an outstanding principal balance equal to or greater than \$17.5 million | Earlier of (i) February 16, 2028 and (ii) 91 days prior to the stated maturity of any outstanding indebtedness with an outstanding principal balance equal to or greater than \$17.5 million, unless as of such date such indebtedness has been refinanced, defeased or adequately reserved for (either against the borrowing base or the maximum revolver amount) or escrowed or cash collateralized in a deposit account. |
| <b>Interest rate on outstanding borrowings:</b>         |                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SOFR based borrowings                                   | SOFR plus a margin of 2.75% to 3.25%                                                                                                                                                         | SOFR plus a margin of 2.25% to 2.75%                                                                                                                                                                                                                                                                                                                                                                                        |
| Base-rate borrowings                                    | Base rate plus a margin of 1.75% to 2.25%                                                                                                                                                    | Base rate plus a margin of 1.25% to 1.75%                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Letter of credit sublimit</b>                        | \$50.0 million                                                                                                                                                                               | \$25.0 million                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Maintenance covenant:</b>                            |                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Fixed charge coverage ratio of not less than 1.0 to 1.0 | (i) in the event that availability under the ABL Agreement is less than the greater of (a) 15% of the line cap and (b) approximately \$14.1 million                                          | (i) in the event that availability under the ABL Agreement is less than the greater of (a) 15% of the line cap and (b) approximately \$11.3 million                                                                                                                                                                                                                                                                         |

### 2026 Notes

The Company issued \$135.0 million aggregate principal amount of its 4.75% convertible senior notes due 2026 pursuant to an indenture, dated as of March 19, 2021 (the “2026 Indenture”), between the Company and Computershare Trust Company, National Association, as successor trustee.

The following table provides a summary of the Company's purchases of outstanding 2026 Notes during the three and six months ended June 30, 2025 and 2024, with non-cash gains reported within other income, net (in thousands):

|                                          | Principal Amount | Carrying Value of Liability | Cash Paid | Non-cash Pre-tax Gains Recognized |
|------------------------------------------|------------------|-----------------------------|-----------|-----------------------------------|
| Three and Six Months Ended June 30, 2025 | \$ 14,750        | \$ 14,665                   | \$ 14,284 | \$ 381                            |
| Three and Six Months Ended June 30, 2024 | 11,500           | 11,361                      | 10,846    | 515                               |

The outstanding 2026 Notes bear interest at a rate of 4.75% per year and will mature on April 1, 2026, unless earlier repurchased, redeemed or converted. Interest is payable semi-annually in arrears on April 1 and October 1 of each year. Additional interest and special interest may accrue on the 2026 Notes under certain circumstances as described in the 2026 Indenture. The initial conversion rate is 95.3516 shares of the Company's common stock per \$1,000 principal amount of the 2026 Notes (equivalent to an initial conversion price of \$10.49 per share of common stock). The conversion rate, and thus the conversion price, may be adjusted under certain circumstances as described in the 2026 Indenture. The Company's intent is to repay the principal amount of the 2026 Notes in cash and settle the conversion feature (if any) in shares of the Company's common stock. As of June 30, 2025, none of the conditions allowing holders of the 2026 Notes to convert, or requiring the Company to repurchase the 2026 Notes, had been met.

## OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**5. Fair Value Measurements**

The Company's financial instruments consist of cash and cash equivalents, investments, receivables, payables and debt instruments. The Company believes that the carrying values of these instruments, other than the 2026 Notes, on the accompanying consolidated balance sheets approximate their fair values. The estimated fair value of the 2026 Notes as of June 30, 2025 was \$107.9 million based on quoted market prices (a Level 2 fair value measurement), which compares to the principal amount of \$108.8 million.

**6. Stockholders' Equity***Common and Preferred Stock*

The following table provides details with respect to the changes to the number of shares of common stock, \$0.01 par value, outstanding during the first six months of 2025 (in thousands):

|                                                        |         |
|--------------------------------------------------------|---------|
| Shares of common stock outstanding – December 31, 2024 | 61,493  |
| Restricted stock awards, net of forfeitures            | 2,017   |
| Shares withheld for taxes on vesting of stock awards   | (457)   |
| Purchases of treasury stock                            | (2,443) |
| Shares of common stock outstanding – June 30, 2025     | 60,610  |

As of June 30, 2025 and December 31, 2024, the Company had 25,000,000 shares of preferred stock, \$0.01 par value, authorized, with no shares issued or outstanding.

In October 2024, the Company's Board of Directors terminated the Company's existing common stock repurchase program and replaced it with a new \$50.0 million authorization for the repurchase of the Company's common stock, par value \$0.01 per share, through October 2026. Subject to applicable securities laws, such purchases will be at such times and in such amounts as the Company deems appropriate.

During the six months ended June 30, 2025, the Company purchased 2.4 million shares of common stock under the program at a total cost of \$12.0 million. The amount remaining under the Company's share repurchase authorization as of June 30, 2025 was \$29.3 million.

*Accumulated Other Comprehensive Loss*

Accumulated other comprehensive loss, reported as a component of stockholders' equity, primarily relates to fluctuations in currency exchange rates against the U.S. dollar as used to translate certain of the international operations of the Company's operating segments. Accumulated other comprehensive loss decreased from \$79.5 million at December 31, 2024 to \$64.9 million at June 30, 2025. For the three and six months ended June 30, 2025 and 2024, currency translation adjustments recognized as a component of other comprehensive income (loss) were primarily attributable to the United Kingdom and Brazil.

During the six months ended June 30, 2025, the exchange rates for the British pound and the Brazilian real strengthened by 9% and 13%, respectively, compared to the U.S. dollar, contributing to other comprehensive income of \$14.6 million. During the six months ended June 30, 2024, the exchange rates for the British pound and the Brazilian real weakened by 1% and 12%, respectively, compared to the U.S. dollar, contributing to other comprehensive loss of \$6.2 million.

**7. Income Taxes**

Income tax benefit (provision) for the three and six months ended June 30, 2025 and 2024 was calculated using a discrete approach. This methodology was used because changes in the Company's results of operations and non-deductible expenses can materially impact the estimated annual effective tax rate.

For the three months ended June 30, 2025, the Company's income tax expense was \$1.4 million, which included adjustments to valuation allowances recorded against deferred tax assets, certain discrete tax items and other non-deductible expenses, on pre-tax income of \$4.2 million. This compares to an income tax benefit of \$0.7 million, which included adjustments to valuation allowances recorded against deferred tax assets and certain non-deductible expenses, on pre-tax income of \$0.6 million for the three months ended June 30, 2024.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended June 30, 2025, the Company's income tax expense was \$2.5 million, which included the impact of certain discrete tax items and other non-deductible expenses, on pre-tax income of \$8.4 million. This compares to an income tax benefit of \$0.6 million, which included the impact of a goodwill impairment charge, other non-deductible expenses and adjustments to valuation allowances recorded against deferred tax assets, on a pre-tax loss of \$12.7 million for the six months ended June 30, 2024.

On July 4, 2025, the United States enacted tax reform legislation which resulted in changes to U.S. tax and related law, including certain key federal income tax provisions applicable to multinational companies such as Oil States. These include, among others: the reinstatement of 100% bonus depreciation election for investments in qualifying property; the immediate deduction of domestic research and development expenditures; and manufacturing tax incentives related to goods sold outside the United States. While the Company continues to evaluate these new laws and regulations, it does not expect they will have a material impact on its consolidated financial position or results of operations.

### 8. Net Income (Loss) Per Share

The table below provides a reconciliation of the numerators and denominators of basic and diluted net income (loss) per share for the three and six months ended June 30, 2025 and 2024 (in thousands, except per share amounts):

|                                                                               | Three Months Ended<br>June 30, |                 | Six Months Ended<br>June 30, |                    |
|-------------------------------------------------------------------------------|--------------------------------|-----------------|------------------------------|--------------------|
|                                                                               | 2025                           | 2024            | 2025                         | 2024               |
| <b>Numerators:</b>                                                            |                                |                 |                              |                    |
| Net income (loss)                                                             | \$ 2,811                       | \$ 1,301        | \$ 5,969                     | \$ (12,073)        |
| Less: Income attributable to unvested restricted stock awards                 | (103)                          | (31)            | (218)                        | —                  |
| <b>Numerator for basic net income (loss) per share</b>                        | <b>2,708</b>                   | <b>1,270</b>    | <b>5,751</b>                 | <b>(12,073)</b>    |
| <b>Effect of dilutive securities:</b>                                         |                                |                 |                              |                    |
| Unvested restricted stock awards                                              | —                              | —               | —                            | —                  |
| <b>Numerator for diluted net income (loss) per share</b>                      | <b>\$ 2,708</b>                | <b>\$ 1,270</b> | <b>\$ 5,751</b>              | <b>\$ (12,073)</b> |
| <b>Denominators:</b>                                                          |                                |                 |                              |                    |
| Weighted average number of common shares outstanding                          | 61,408                         | 64,025          | 61,729                       | 63,954             |
| Less: Weighted average number of unvested restricted stock awards outstanding | (2,254)                        | (1,542)         | (2,068)                      | (1,461)            |
| <b>Denominator for basic net income (loss) per share</b>                      | <b>59,154</b>                  | <b>62,483</b>   | <b>59,661</b>                | <b>62,493</b>      |
| <b>Effect of dilutive securities:</b>                                         |                                |                 |                              |                    |
| Performance share units                                                       | —                              | 221             | —                            | —                  |
| <b>Denominator for diluted net income (loss) per share</b>                    | <b>59,154</b>                  | <b>62,704</b>   | <b>59,661</b>                | <b>62,493</b>      |
| <b>Net income (loss) per share:</b>                                           |                                |                 |                              |                    |
| Basic                                                                         | \$ 0.05                        | \$ 0.02         | \$ 0.10                      | \$ (0.19)          |
| Diluted                                                                       | 0.05                           | 0.02            | 0.10                         | (0.19)             |

Shares issuable upon conversion of the Company's 2026 Notes were excluded from each period due to, among other factors, the Company's share price.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 9. Long-Term Incentive Compensation

The following table presents a summary of activity for service-based restricted stock and stock unit awards, and performance-based stock unit awards for the six months ended June 30, 2025 (in thousands):

|                                                      | Service-based Restricted<br>Stock | Performance- and<br>Service-based Stock Units |
|------------------------------------------------------|-----------------------------------|-----------------------------------------------|
| Outstanding – December 31, 2024                      | 1,513                             | 1,033                                         |
| Granted                                              | 1,568                             | 297                                           |
| Vested and distributed                               | (803)                             | (467)                                         |
| Forfeited                                            | (18)                              | —                                             |
| Outstanding – June 30, 2025                          | 2,260                             | 863                                           |
| Weighted average grant date fair value (2025 awards) | \$ 5.31                           | \$ 5.31                                       |

The restricted stock program consists of a combination of service-based restricted stock and stock units, as well as performance-based stock units. Service-based restricted stock awards vest on a straight-line basis over a term of three years. Service-based stock unit awards (180 thousand outstanding as of June 30, 2025) vest over one year, with the underlying shares issued at a specified future date. Performance-based stock unit awards vest at the end of a three-year period, with the number of shares ultimately issued under the program dependent upon achievement of predefined specific performance objectives based on the Company's cumulative EBITDA over a three-year period.

In the event the predefined targets are exceeded for any performance-based award, additional shares up to a maximum of 200% of the target award may be granted. Conversely, if actual performance falls below the predefined target, the number of shares vested is reduced. If the actual performance falls below the threshold performance level, no shares will vest.

The Company issued conditional long-term cash incentive awards ("Cash Awards") with targeted values of \$1.4 million and \$1.5 million in the first quarters of 2025 and 2024, respectively. The performance measure for each of these Cash Awards is relative total stockholder return compared to a peer group of companies over a three-year period. The ultimate dollar amount to be awarded for each annual grant may range from zero to a maximum of \$2.9 million for 2025 awards and from zero to a maximum of \$3.1 million for 2024 awards, limited to their targeted value if the Company's total stockholder return were to be negative over the performance period. Obligations related to the Cash Awards are classified as liabilities and recognized over their respective vesting periods.

Stock-based compensation expense recognized during the three and six months ended June 30, 2025 totaled \$2.0 million and \$3.9 million, respectively. Stock-based compensation expense recognized during the three and six months ended June 30, 2024 totaled \$2.3 million and \$4.1 million, respectively. As of June 30, 2025, there was \$12.9 million of pre-tax compensation costs related to service-based and performance-based stock awards, which will be recognized in future periods as vesting conditions are satisfied.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 10. Segments and Related Information

The Company operates through three operating segments: Offshore Manufactured Products, Completion and Production Services and Downhole Technologies. Financial information by operating segment as of and for the three and six months ended June 30, 2025 and 2024 is summarized in the following tables (in thousands).

| Three Months Ended June 30, 2025                                                      |                                                     |                                                      |                                         |              |                |
|---------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|-----------------------------------------|--------------|----------------|
|                                                                                       | Offshore<br>Manufactured<br>Products <sup>(1)</sup> | Completion and<br>Production Services <sup>(2)</sup> | Downhole<br>Technologies <sup>(3)</sup> | Corporate    | Total          |
| Revenues                                                                              | \$ 106,586                                          | \$ 29,424                                            | \$ 29,396                               | \$ —         | \$ 165,406     |
| Costs and expenses:                                                                   |                                                     |                                                      |                                         |              |                |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | 75,304                                              | 23,593                                               | 26,443                                  | —            | 125,340        |
| Selling, general and administrative expense                                           | 9,475                                               | 2,017                                                | 1,999                                   | 9,490        | 22,981         |
| Depreciation and amortization expense                                                 | 3,703                                               | 4,083                                                | 4,005                                   | 107          | 11,898         |
| Impairments of operating lease assets                                                 | —                                                   | 403                                                  | 955                                     | —            | 1,358          |
| Other operating (income) loss, net                                                    | 1,115                                               | (2,549)                                              | (14)                                    | —            | (1,448)        |
|                                                                                       | <u>89,597</u>                                       | <u>27,547</u>                                        | <u>33,388</u>                           | <u>9,597</u> | <u>160,129</u> |
| Operating income (loss)                                                               | \$ 16,989                                           | \$ 1,877                                             | \$ (3,992)                              | \$ (9,597)   | \$ 5,277       |
| Capital expenditures                                                                  | \$ 8,003                                            | \$ 1,825                                             | \$ 428                                  | \$ 66        | \$ 10,322      |

(1) Operating income included charges of \$0.3 million primarily associated with the consolidation and relocation of certain manufacturing and service locations.

(2) Operating income included \$2.2 million of facility exit and other charges.

(3) Operating loss included \$1.2 million in costs associated primarily with the exit of a leased facility.

| Six Months Ended June 30, 2025                                                        |                                                     |                                                      |                                         |               |                |
|---------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|-----------------------------------------|---------------|----------------|
|                                                                                       | Offshore<br>Manufactured<br>Products <sup>(1)</sup> | Completion and<br>Production Services <sup>(2)</sup> | Downhole<br>Technologies <sup>(3)</sup> | Corporate     | Total          |
| Revenues                                                                              | \$ 199,182                                          | \$ 63,943                                            | \$ 62,219                               | \$ —          | \$ 325,344     |
| Costs and expenses:                                                                   |                                                     |                                                      |                                         |               |                |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | 142,219                                             | 50,498                                               | 55,300                                  | —             | 248,017        |
| Selling, general and administrative expense                                           | 18,110                                              | 4,013                                                | 3,998                                   | 19,390        | 45,511         |
| Depreciation and amortization expense                                                 | 7,311                                               | 8,355                                                | 8,034                                   | 223           | 23,923         |
| Impairments of operating lease assets                                                 | —                                                   | 403                                                  | 955                                     | —             | 1,358          |
| Other operating (income) loss, net                                                    | 277                                                 | (4,706)                                              | 48                                      | —             | (4,381)        |
|                                                                                       | <u>167,917</u>                                      | <u>58,563</u>                                        | <u>68,335</u>                           | <u>19,613</u> | <u>314,428</u> |
| Operating income (loss)                                                               | \$ 31,265                                           | \$ 5,380                                             | \$ (6,116)                              | \$ (19,613)   | \$ 10,916      |
| Capital expenditures                                                                  | \$ 12,826                                           | \$ 5,350                                             | \$ 1,219                                | \$ 85         | \$ 19,480      |
| Total assets (as of June 30, 2025)                                                    | \$ 532,179                                          | \$ 134,031                                           | \$ 262,758                              | \$ 64,777     | \$ 993,745     |

(1) Operating income included charges of \$0.3 million primarily associated with the consolidation and relocation of certain manufacturing and service locations.

(2) Operating income included \$3.1 million of facility exit and other charges.

(3) Operating loss included \$1.2 million in costs associated primarily with the exit of a leased facility.

**OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Continued)**

| Three Months Ended June 30, 2024                                                      |                                                     |                                                      |                          |             |            |
|---------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|--------------------------|-------------|------------|
|                                                                                       | Offshore<br>Manufactured<br>Products <sup>(1)</sup> | Completion and<br>Production Services <sup>(2)</sup> | Downhole<br>Technologies | Corporate   | Total      |
| Revenues                                                                              | \$ 101,556                                          | \$ 46,421                                            | \$ 38,406                | \$ —        | \$ 186,383 |
| Costs and expenses:                                                                   |                                                     |                                                      |                          |             |            |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | 71,236                                              | 37,895                                               | 32,902                   | —           | 142,033    |
| Selling, general and administrative expense                                           | 10,400                                              | 3,083                                                | 2,403                    | 10,487      | 26,373     |
| Depreciation and amortization expense                                                 | 4,247                                               | 6,047                                                | 4,255                    | 149         | 14,698     |
| Impairment of goodwill                                                                | —                                                   | —                                                    | —                        | —           | —          |
| Other operating (income) loss, net                                                    | 1,316                                               | (69)                                                 | (13)                     | —           | 1,234      |
|                                                                                       | 87,199                                              | 46,956                                               | 39,547                   | 10,636      | 184,338    |
| Operating income (loss)                                                               | \$ 14,357                                           | \$ (535)                                             | \$ (1,141)               | \$ (10,636) | \$ 2,045   |
| Capital expenditures                                                                  | \$ 1,552                                            | \$ 3,918                                             | \$ 310                   | \$ 9        | \$ 5,789   |

(1) Operating income included \$1.5 million of facility consolidation charges.

(2) Operating loss included \$2.9 million of facility consolidation and other charges.

| Six Months Ended June 30, 2024                                                        |                                                     |                                                      |                                         |             |              |
|---------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|-----------------------------------------|-------------|--------------|
|                                                                                       | Offshore<br>Manufactured<br>Products <sup>(1)</sup> | Completion and<br>Production Services <sup>(2)</sup> | Downhole<br>Technologies <sup>(3)</sup> | Corporate   | Total        |
| Revenues                                                                              | \$ 188,413                                          | \$ 93,713                                            | \$ 71,519                               | \$ —        | \$ 353,645   |
| Costs and expenses:                                                                   |                                                     |                                                      |                                         |             |              |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | 134,737                                             | 77,709                                               | 61,538                                  | —           | 273,984      |
| Selling, general and administrative expense                                           | 18,958                                              | 5,609                                                | 4,686                                   | 19,616      | 48,869       |
| Depreciation and amortization expense                                                 | 7,940                                               | 12,126                                               | 8,525                                   | 302         | 28,893       |
| Impairment of goodwill                                                                | —                                                   | —                                                    | 10,000                                  | —           | 10,000       |
| Other operating (income) loss, net                                                    | 1,818                                               | (777)                                                | (10)                                    | —           | 1,031        |
|                                                                                       | 163,453                                             | 94,667                                               | 84,739                                  | 19,918      | 362,777      |
| Operating income (loss)                                                               | \$ 24,960                                           | \$ (954)                                             | \$ (13,220)                             | \$ (19,918) | \$ (9,132)   |
| Capital expenditures                                                                  | \$ 8,773                                            | \$ 6,332                                             | \$ 756                                  | \$ 20       | \$ 15,881    |
| Total assets (as of June 30, 2024)                                                    | \$ 502,582                                          | \$ 177,098                                           | \$ 279,947                              | \$ 41,551   | \$ 1,001,178 |

(1) Operating income included \$3.0 million of facility consolidation charges.

(2) Operating loss included \$3.9 million in facility consolidation and other charges.

(3) Operating loss included a \$10.0 million non-cash goodwill impairment charge.

# OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following tables provide supplemental disaggregated revenue from contracts with customers by operating segment for the three and six months ended June 30, 2025 and 2024 (in thousands):

|                                          | Offshore Manufactured<br>Products |                   | Completion and Production<br>Services |                  | Downhole Technologies |                  | Total             |                   |
|------------------------------------------|-----------------------------------|-------------------|---------------------------------------|------------------|-----------------------|------------------|-------------------|-------------------|
|                                          | 2025                              | 2024              | 2025                                  | 2024             | 2025                  | 2024             | 2025              | 2024              |
| <b>Three Months Ended June 30</b>        |                                   |                   |                                       |                  |                       |                  |                   |                   |
| <b>Project-driven:</b>                   |                                   |                   |                                       |                  |                       |                  |                   |                   |
| Products                                 | \$ 68,653                         | \$ 59,752         | \$ —                                  | \$ —             | \$ —                  | \$ —             | \$ 68,653         | \$ 59,752         |
| Services                                 | 27,907                            | 31,024            | —                                     | —                | —                     | —                | 27,907            | 31,024            |
| Total project-driven                     | 96,560                            | 90,776            | —                                     | —                | —                     | —                | 96,560            | 90,776            |
| <b>Military and other products</b>       | 10,026                            | 10,780            | —                                     | —                | —                     | —                | 10,026            | 10,780            |
| <b>Short-cycle products and services</b> | —                                 | —                 | 29,424                                | 46,421           | 29,396                | 38,406           | 58,820            | 84,827            |
|                                          | <u>\$ 106,586</u>                 | <u>\$ 101,556</u> | <u>\$ 29,424</u>                      | <u>\$ 46,421</u> | <u>\$ 29,396</u>      | <u>\$ 38,406</u> | <u>\$ 165,406</u> | <u>\$ 186,383</u> |
|                                          | Offshore Manufactured<br>Products |                   | Completion and Production<br>Services |                  | Downhole Technologies |                  | Total             |                   |
|                                          | 2025                              | 2024              | 2025                                  | 2024             | 2025                  | 2024             | 2025              | 2024              |
| <b>Six Months Ended June 30</b>          |                                   |                   |                                       |                  |                       |                  |                   |                   |
| <b>Project-driven:</b>                   |                                   |                   |                                       |                  |                       |                  |                   |                   |
| Products                                 | \$ 127,777                        | \$ 112,889        | \$ —                                  | \$ —             | \$ —                  | \$ —             | \$ 127,777        | \$ 112,889        |
| Services                                 | 52,331                            | 56,257            | —                                     | —                | —                     | —                | 52,331            | 56,257            |
| Total project-driven                     | 180,108                           | 169,146           | —                                     | —                | —                     | —                | 180,108           | 169,146           |
| <b>Military and other products</b>       | 19,074                            | 19,267            | —                                     | —                | —                     | —                | 19,074            | 19,267            |
| <b>Short-cycle products and services</b> | —                                 | —                 | 63,943                                | 93,713           | 62,219                | 71,519           | 126,162           | 165,232           |
|                                          | <u>\$ 199,182</u>                 | <u>\$ 188,413</u> | <u>\$ 63,943</u>                      | <u>\$ 93,713</u> | <u>\$ 62,219</u>      | <u>\$ 71,519</u> | <u>\$ 325,344</u> | <u>\$ 353,645</u> |

Revenues from products and services transferred to customers over time accounted for approximately 63% and 66% of consolidated revenues for the six months ended June 30, 2025 and 2024, respectively. The balance of revenues for the respective periods relates to products and services transferred to customers at a point in time. As of June 30, 2025, the Company had \$260 million of remaining backlog related to contracts with an original expected duration of greater than one year. Approximately 38% of this remaining backlog is expected to be recognized as revenue over the remaining six months of 2025, with an additional 36% recognized in 2026 and the balance thereafter.

### 11. Commitments and Contingencies

The Company is a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning its commercial operations, products, employees and other matters. Although the Company can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on the Company, management believes that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise covered by insurance, will not have a material adverse effect on the Company's consolidated financial position, results of operations or liquidity.

### Cautionary Statement Regarding Forward-Looking Statements

*This Quarterly Report on Form 10-Q and other statements we make contain certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the “Exchange Act”). Actual results could differ materially from those projected in the forward-looking statements as a result of a number of important factors, including incorrect or changed assumptions. For a discussion of known material factors that could affect our results, please refer to “Part I, Item 1. Business,” “Part I, Item 1A. Risk Factors,” “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk” included in our 2024 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on February 21, 2025.*

*You can typically identify “forward-looking statements” by the use of forward-looking words such as “may,” “will,” “could,” “project,” “believe,” “anticipate,” “expect,” “estimate,” “potential,” “plan,” “forecast,” “proposed,” “should,” “seek,” and other similar words. Such statements may relate to our future financial position, budgets, capital expenditures, projected costs, plans and objectives of management for future operations and possible future strategic transactions. Actual results frequently differ from assumed facts and such differences can be material, depending upon the circumstances.*

*While we believe we are providing forward-looking statements expressed in good faith and on a reasonable basis, there can be no assurance that actual results will not differ from such forward-looking statements. The following are important factors that could cause actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, us:*

- the impact of changes in tariffs and duties on imported materials and exported finished goods;*
- the ability and willingness of the Organization of Petroleum Exporting Countries and other producing nations (“OPEC+”) to set and maintain oil production levels and pricing;*
- the level of supply of and demand for oil and natural gas;*
- fluctuations in the current and future prices of oil and natural gas;*
- the level of exploration, drilling and completion activity;*
- the cyclical nature of the oil and natural gas industry;*
- the level of offshore oil and natural gas developmental activities;*
- inflation, including our ability to increase prices to our customers as our costs increase;*
- the impact of disruptions in the bank and capital markets;*
- the financial health of our customers;*
- the impact of the ongoing military actions in Europe and the Middle East, or any similar future military actions or unrest, including, but not limited to, energy market disruptions, supply chain disruptions and increased costs, government sanctions, and delays or potential cancellation of planned customer projects;*
- the impact of environmental matters, including executive actions and federal, state and local regulatory or legislative efforts to adopt environmental or climate change regulations that may result in increased operating costs or reduced oil and natural gas production or demand globally, such as previous attempts to prohibit or otherwise limit new exports of liquefied natural gas (“LNG”), hydraulic fracturing, and lease development;*
- political, economic and litigation efforts to restrict or eliminate certain oil and natural gas exploration, development and production activities due to concerns over the threat of climate change;*
- the availability of and access to attractive oil and natural gas field prospects, which may be affected by governmental actions or actions of other parties restricting drilling and completion activities;*
- general global economic conditions;*
- global weather conditions and natural disasters, including hurricanes in the Gulf of America (formerly named the Gulf of Mexico);*
- changes in tax laws and regulations as well as volatility in the political, legal and regulatory environments in connection with the new U.S. presidential administration; including changes such as the One Big Beautiful Bill Act (the “OBBBA”);*
- supply chain disruptions, including as a result of the adoption of or increase in tariffs, or the threat thereof;*
- our ability to timely obtain and maintain critical permits for operating facilities;*

- *our ability to attract and retain skilled personnel;*
- *our ability to develop new competitive technologies and products;*
- *fluctuations in currency exchange rates;*
- *physical, digital, cyber, internal and external security breaches and other incidents affecting information security and data privacy;*
- *the cost of capital in the bank and capital markets and our ability to access them;*
- *our ability to protect and enforce our intellectual property rights;*
- *negative outcome of litigation, threatened litigation or government proceedings;*
- *the potential for future federal or state requirements related to the enhanced disclosure of a range of climate-related information and risks;*
- *our ability to complete the integration of acquired businesses and achieve the expected accretion in earnings; and*
- *the other factors identified in “Part I, Item 1A. Risk Factors” in our 2024 Annual Report on Form 10-K, as well as in “Part II, Item 1A. Risk Factors” included in this Quarterly Report on Form 10-Q.*

*Should one or more of these risks or uncertainties materialize, or should the assumptions on which our forward-looking statements are based prove incorrect or change, actual results may differ materially from those expected, estimated or projected. In addition, the factors identified above may not necessarily be all of the important factors that could cause actual results to differ materially from those expressed in any forward-looking statement made by us, or on our behalf. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no responsibility to publicly release the result of any revision of our forward-looking statements after the date they are made.*

*In addition, in certain places in this Quarterly Report on Form 10-Q, we refer to information and reports published by third parties that purport to describe trends or developments in the energy industry. We do so for the convenience of our stockholders and in an effort to provide information available in the market that will assist our investors in better understanding the market environment in which we operate. However, we specifically disclaim any responsibility for the accuracy and completeness of such information and undertake no obligation to update such information.*

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion and analysis should be read together with our condensed consolidated financial statements and notes to those statements included elsewhere in this Quarterly Report on Form 10-Q and our consolidated financial statements and notes to those statements included in our 2024 Annual Report on Form 10-K in order to understand factors, such as charges and credits, financing transactions and changes in tax regulations, which may impact comparability from period to period.

We provide a broad range of manufactured products and services to customers in the energy, industrial and military sectors through our Offshore Manufactured Products, Completion and Production Services and Downhole Technologies segments. Demand for our products and services is cyclical and substantially dependent upon activity levels in the oil and gas industry, particularly our customers’ willingness to invest capital in the exploration for and development of crude oil and natural gas reserves. Our customers’ capital spending programs are generally based on their cash flows and their outlook for near-term and long-term commodity prices, making demand for our products and services sensitive to expectations regarding future crude oil and natural gas prices, as well as economic growth, commodity demand and estimates of resource production and regulatory pressures.

## Recent Developments

Brent and West Texas Intermediate (“WTI”) crude oil and natural gas pricing trends were as follows:

| Year                              | Average Price <sup>(1)</sup> for quarter ended |       |         |       |              |       | Average Price <sup>(1)</sup> for year ended December 31 |             |    |       |
|-----------------------------------|------------------------------------------------|-------|---------|-------|--------------|-------|---------------------------------------------------------|-------------|----|-------|
|                                   | March 31                                       |       | June 30 |       | September 30 |       |                                                         | December 31 |    |       |
| Brent Crude (per bbl)             |                                                |       |         |       |              |       |                                                         |             |    |       |
| 2025                              | \$                                             | 75.87 | \$      | 68.07 |              |       |                                                         |             |    |       |
| 2024                              |                                                | 82.92 | \$      | 84.68 | \$           | 80.01 | \$                                                      | 74.66       | \$ | 80.52 |
| WTI Crude (per bbl)               |                                                |       |         |       |              |       |                                                         |             |    |       |
| 2025                              | \$                                             | 71.78 | \$      | 64.57 |              |       |                                                         |             |    |       |
| 2024                              |                                                | 77.50 | \$      | 81.81 | \$           | 76.43 | \$                                                      | 70.73       | \$ | 76.61 |
| Henry Hub Natural Gas (per MMBtu) |                                                |       |         |       |              |       |                                                         |             |    |       |
| 2025                              | \$                                             | 4.14  | \$      | 3.19  |              |       |                                                         |             |    |       |
| 2024                              |                                                | 2.15  | \$      | 2.07  | \$           | 2.11  | \$                                                      | 2.44        | \$ | 2.19  |

(1) Source: U.S. Energy Information Administration (spot prices).

The average spot price of WTI crude oil declined 10% in the second quarter of 2025 following to the imposition of broad-based trade tariffs by the United States on imported goods and the announcement by OPEC+ of plans to increase crude oil production. These actions have led to ongoing uncertainty regarding the broad future effect of reciprocal trade tariff increases on the global economy as well as the future demand for and supply of crude oil, and negatively impacted the demand for and pricing of our products and services in the U.S. land-based market during the second quarter of 2025.

The ultimate magnitude and duration of the trade conflict and increased crude oil production by OPEC+, and the related impacts on crude oil prices and the global economy, remain uncertain. While it is difficult for management to assess or predict with precision the broad future effect of these events on the global economy, the energy industry or the Company, management expects that it may adversely affect demand for our products and services, particularly in the United States, over the balance of 2025 and possibly beyond.

We have implemented certain initiatives to optimize our operations and reduce future costs. These actions include: the consolidation, relocation and exit of certain operating locations; the exit of certain service offerings; reductions in our U.S. workforce as well as the realignment in 2024 of operations within two of our reportable segments. We also incurred legal costs associated with patent defense. As a result of these events, actions and assessments, our reported pre-tax results for the six months ended June 30, 2024 included \$10.0 million in non-cash goodwill impairment charges as well as \$6.9 million of facility consolidation and exit, patent defense and other charges. During the first six months of 2025, we made the strategic decision to exit three additional service facilities, continued the exit of facilities closed in 2024 and further reduced headcount, incurring \$4.6 million of associated pre-tax charges.

During the first six months of 2025, we sold facilities, equipment and inventory for net proceeds of \$12.6 million. Additionally, during the first six months of 2025, we purchased \$14.8 million principal amount of our 4.75% convertible senior notes due 2026 (the “2026 Notes”) and \$12.0 million of our common stock.

On July 4, 2025, the United States enacted tax reform legislation through the OBBBA, which resulted in changes to U.S. tax and related law, including certain key federal income tax provisions applicable to multinational companies such as Oil States. These include, among others: the reinstatement of 100% bonus depreciation election for investments in qualifying property; the immediate deduction of domestic research and development expenditures; and manufacturing tax incentives related to goods sold outside the United States.

On July 28, 2025, we amended our asset-based revolving credit facility to increase advance rates, lower interest charges and plan for the retirement of all 2026 Notes that remain outstanding at maturity in April of 2026.

## Overview

Current and expected future pricing for WTI crude oil and natural gas and inflationary cost increases, along with expectations regarding the regulatory environment in the regions in which we operate, are factors that will continue to influence our customers’ willingness to invest capital in their businesses. Expectations for the longer-term price for Brent crude oil will continue to influence our customers’ spending related to global offshore and international drilling and development and, thus, a significant portion of the activity of our Offshore Manufactured Products segment.

Crude oil and natural gas prices and levels of demand for crude oil and natural gas are likely to remain highly volatile due to numerous factors, including: geopolitical conflicts in Europe and the Middle East, along with associated international tensions; the moderate perceived risk of a global economic recession; the levels of domestic or international crude oil and natural gas production; changes in governmental rules and regulations; sanctions; tariffs; the willingness of operators to invest capital in the exploration for and development of resources; use of alternative fuels; improved vehicle fuel efficiency; timing of capital investments in alternative energy sources; a more sustained movement to electric vehicles; and the potential for ongoing supply/demand imbalances.

U.S. drilling, completion and production activity and, in turn, our financial results, are sensitive to near-term fluctuations in commodity prices, particularly U.S. crude oil and natural gas prices, given the short-term, call-out nature of our U.S. operations.

Customer spending in the natural gas shale plays has declined in recent years due to technological advancements and consolidation of oil and gas producers that have led to significant amounts of natural gas being produced from prolific basins in the Northeastern United States and from associated gas produced from the drilling and completion of unconventional oil wells in the United States. However, the extended outlook for natural gas in the United States is positive with increased exports of LNG, as well as increased power needs for the technology sector, namely data centers.

Our Offshore Manufactured Products segment provides technology-driven, highly-engineered products and services for offshore oil and natural gas production systems and facilities globally, as well as certain products and services to the offshore drilling and completion markets. This segment is particularly influenced by global spending on deepwater drilling and production, which is primarily driven by our customers' longer-term commodity demand forecasts and outlook for crude oil and natural gas prices. Approximately 90% of Offshore Manufactured Products segment sales in the first six months of 2025 were driven by our customers' capital spending for products and services used in exploratory and developmental drilling, greenfield offshore production infrastructure, and subsea pipeline tie-in and repair system applications, along with upgraded equipment for existing offshore drilling rigs and other vessels (referred to herein as "project-driven products and services"). Deepwater oil and gas development projects typically involve significant capital investments and multi-year development plans. Such projects are generally undertaken by larger exploration, field development and production companies (primarily international oil companies and state-run national oil companies) using relatively conservative crude oil and natural gas pricing assumptions. Given the long lead times associated with field development, we believe some of these deepwater projects, once approved for development, are generally less susceptible to change based on short-term fluctuations in the price of crude oil and natural gas. Deepwater oil and gas development projects may also be impacted by federal legislative and regulatory actions, including the OBBBA, signed into law in July 2025. The OBBBA mandates that the Bureau of Ocean Energy Management conduct at least two offshore lease sales annually, of a minimum of 80 million acres (if available), in the Central and Western Gulf of America Planning Areas for the next 15 years, beginning in August 2025. This segment also produces a variety of products for use in industrial, military and other applications outside the traditional energy industry. Additionally, we are investing in research and product development (and have been awarded select contracts and are bidding on additional projects) to facilitate the development of alternative energy sources, including offshore wind and deep-sea mineral gathering opportunities.

Backlog reported by our Offshore Manufactured Products segment increased to \$363 million as of June 30, 2025 from \$311 million as of December 31, 2024. Bookings totaled \$112 million in the second quarter of 2025, yielding a quarterly book-to-bill ratio of 1.1x (1.2x year-to-date). The following table sets forth backlog as of the dates indicated (in millions).

| Year | Backlog as of |         |              |             |
|------|---------------|---------|--------------|-------------|
|      | March 31      | June 30 | September 30 | December 31 |
| 2025 | \$ 357        | \$ 363  |              |             |
| 2024 | 305           | 300     | \$ 313       | \$ 311      |
| 2023 | 316           | 328     | 341          | 327         |

Our Completion and Production Services segment provides completion and production services in the United States (including the Gulf of America) and internationally. Prior to the sale of its drilling rigs in August of 2024, the segment also provided land drilling services in the United States. U.S. drilling and completion activity and, in turn, our Completion and Production Services segment's results, are sensitive to near-term fluctuations in commodity prices, particularly WTI crude oil prices, given the short-term, call-out nature of its operations. We primarily supply equipment and service personnel utilized in the completion of, and initial production from, new and recompleted wells in our U.S. operations, which are dependent primarily upon the level and complexity of drilling, completion and workover activity in our areas of operations.

Our Downhole Technologies segment provides oil and gas perforation systems, downhole tools and services in support of completion, intervention, wireline and well abandonment operations. This segment designs, manufactures and markets its consumable engineered products to oilfield service as well as exploration and production companies. Product and service offerings for this segment include innovations in perforation technology through patented and proprietary systems combined

with advanced modeling and analysis tools. This expertise has led to the optimization of perforation hole size, depth, and quality of tunnels, which are key factors for maximizing the effectiveness of hydraulic fracturing. Additional offerings include frac plugs, toe valves and other elastomer products, which are focused on zonal isolation for hydraulic fracturing of horizontal wells, and a broad range of consumable products, such as setting tools and bridge plugs, that are used in completion, intervention and decommissioning applications. Hydraulic fracturing activity, and, in turn, our Downhole Technologies segment's results, are sensitive to commodity prices, particularly WTI crude oil prices, given that lower activity may result in lower demand for our consumable products. Demand drivers for the Downhole Technologies segment include continued trends toward longer lateral lengths, increased frac stages and more perforation clusters to target increased unconventional well productivity.

Demand for our completion-related products and services within our Completion and Production Services and Downhole Technologies segments is highly correlated to changes in the total number of wells drilled in the United States, total footage drilled, the number of drilled wells that are completed and changes in the drilling rig count. The following table sets forth a summary of the U.S. drilling rig count, as measured by Baker Hughes Company, as of and for the periods indicated.

|                              | As of July 25, 2025 | Average for the             |      |                           |      |
|------------------------------|---------------------|-----------------------------|------|---------------------------|------|
|                              |                     | Three Months Ended June 30, |      | Six Months Ended June 30, |      |
|                              |                     | 2025                        | 2024 | 2025                      | 2024 |
| United States Rig Count:     |                     |                             |      |                           |      |
| Land – Oil                   | 401                 | 451                         | 479  | 460                       | 481  |
| Land – Natural gas and other | 125                 | 105                         | 104  | 105                       | 112  |
| Offshore                     | 16                  | 15                          | 20   | 14                        | 20   |
|                              | 542                 | 571                         | 603  | 579                       | 613  |

The U.S. energy industry is primarily focused on crude oil and liquids-rich exploration and development activities in U.S. shale plays utilizing horizontal drilling and completion techniques. As of June 30, 2025, oil-directed drilling accounted for 79% of the total U.S. rig count – with the balance largely natural gas related.

We use a variety of domestically produced and imported raw materials and component products, including steel, in the manufacture of our products. In the first quarter of 2025, the United States imposed new or additional tariffs on a variety of imported raw materials and products, including steel and aluminum. In response to the U.S. tariffs on steel and aluminum, the European Union and several other countries, including Canada and China, have threatened and/or imposed retaliatory tariffs. In addition, in response to Russia's invasion of Ukraine, governments in the European Union, the United States, the United Kingdom, Switzerland and other countries have enacted sanctions against Russia and Russian interests. Subsequently, the U.S. government announced additional tariffs on goods imported into the United States, including steel and other metal products. The effect of these sanctions and tariffs and the application and interpretation of existing trade agreements and customs, anti-dumping and countervailing duty regulations continue to evolve, and we continue to monitor these matters. While many of these tariffs are currently deferred, we cannot predict with certainty the impact of any new or increased tariffs, or the impact of any retaliatory tariffs, if we encounter difficulty in procuring these raw materials and component products, or if the prices we have to pay for these products increase and we are unable to pass corresponding cost increases on to our customers, our financial position, cash flows and results of operations could be adversely affected. Furthermore, uncertainty with respect to potential costs in the drilling and completion of oil and gas wells could cause our customers to delay or cancel planned projects which, if this occurred, would adversely affect our financial position, cash flows and results of operations.

Other factors that can affect our business and financial results include but are not limited to: the general global economic environment; competitive pricing pressures; customer consolidations; labor market constraints; supply chain disruptions; inflation in wages, materials, parts, equipment and other costs; climate-related and other regulatory changes; geopolitical conflicts and tensions; management's implementation of strategic decisions; public health crises; natural disasters; and changes in tax laws in the United States and in the international markets in which we operate. We continue to monitor the global economy, the prices of and demand for crude oil and natural gas, and the resultant impact on the capital spending plans and operations of our customers in order to plan and manage our business.

## Human Capital

For more information on our health and safety policy and other workforce policies, please see "Part I, Item 1. Business – Human Capital" in our Annual Report on Form 10-K for the year ended December 31, 2024.

## Selected Financial Data

This selected financial data should be read in conjunction with our Unaudited Condensed Consolidated Financial Statements and related notes included in “Part I, Item 1. Financial Statements” of this Quarterly Report on Form 10-Q and “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our Consolidated Financial Statements and related notes included in “Part II, Item 8. Financial Statements and Supplementary Data” of our Annual Report on Form 10-K for the year ended December 31, 2024 in order to understand factors, such as charges and credits, which may impact comparability of the selected financial data.

## Unaudited Consolidated Results of Operations

The following summarizes our consolidated results of operations for the three and six months ended June 30, 2025 and 2024 (in thousands, except per share amounts):

|                                                                                       | Three Months Ended<br>June 30, |            |            | Six Months Ended<br>June 30, |             |           |
|---------------------------------------------------------------------------------------|--------------------------------|------------|------------|------------------------------|-------------|-----------|
|                                                                                       | 2025                           | 2024       | Variance   | 2025                         | 2024        | Variance  |
| Revenues:                                                                             |                                |            |            |                              |             |           |
| Products                                                                              | \$ 107,342                     | \$ 108,579 | \$ (1,237) | \$ 207,893                   | \$ 202,908  | \$ 4,985  |
| Services                                                                              | 58,064                         | 77,804     | (19,740)   | 117,451                      | 150,737     | (33,286)  |
|                                                                                       | 165,406                        | 186,383    | (20,977)   | 325,344                      | 353,645     | (28,301)  |
| Costs and expenses:                                                                   |                                |            |            |                              |             |           |
| Product costs                                                                         | 83,936                         | 82,503     | 1,433      | 164,265                      | 157,640     | 6,625     |
| Service costs                                                                         | 41,404                         | 59,530     | (18,126)   | 83,752                       | 116,344     | (32,592)  |
| Cost of revenues (exclusive of depreciation and amortization expense presented below) | 125,340                        | 142,033    | (16,693)   | 248,017                      | 273,984     | (25,967)  |
| Selling, general and administrative expenses                                          | 22,981                         | 26,373     | (3,392)    | 45,511                       | 48,869      | (3,358)   |
| Depreciation and amortization expense                                                 | 11,898                         | 14,698     | (2,800)    | 23,923                       | 28,893      | (4,970)   |
| Impairment of goodwill                                                                | —                              | —          | —          | —                            | 10,000      | (10,000)  |
| Impairments of operating lease assets                                                 | 1,358                          | —          | 1,358      | 1,358                        | —           | 1,358     |
| Other operating income, net                                                           | (1,448)                        | 1,234      | (2,682)    | (4,381)                      | 1,031       | (5,412)   |
|                                                                                       | 160,129                        | 184,338    | (24,209)   | 314,428                      | 362,777     | (48,349)  |
| Operating income (loss)                                                               | 5,277                          | 2,045      | 3,232      | 10,916                       | (9,132)     | 20,048    |
| Interest expense, net                                                                 | (1,692)                        | (2,061)    | 369        | (3,270)                      | (4,162)     | 892       |
| Other income, net                                                                     | 636                            | 652        | (16)       | 774                          | 580         | 194       |
| Income (loss) before income taxes                                                     | 4,221                          | 636        | 3,585      | 8,420                        | (12,714)    | 21,134    |
| Income tax benefit (provision)                                                        | (1,410)                        | 665        | (2,075)    | (2,451)                      | 641         | (3,092)   |
| Net income (loss)                                                                     | \$ 2,811                       | \$ 1,301   | \$ 1,510   | \$ 5,969                     | \$ (12,073) | \$ 18,042 |
| Net income (loss) per share:                                                          |                                |            |            |                              |             |           |
| Basic                                                                                 | \$ 0.05                        | \$ 0.02    |            | \$ 0.10                      | \$ (0.19)   |           |
| Diluted                                                                               | 0.05                           | 0.02       |            | 0.10                         | (0.19)      |           |
| Weighted average number of common shares outstanding:                                 |                                |            |            |                              |             |           |
| Basic                                                                                 | 59,154                         | 62,483     |            | 59,661                       | 62,493      |           |
| Diluted                                                                               | 59,154                         | 62,704     |            | 59,661                       | 62,493      |           |

## Unaudited Segment Results of Operations

We manage and measure our business performance in three operating segments: Offshore Manufactured Products, Completion and Production Services and Downhole Technologies. Supplemental financial information by operating segment for the three and six months ended June 30, 2025 and 2024 is summarized below (in thousands):

|                                                   | Three Months Ended<br>June 30, |            |             | Six Months Ended<br>June 30, |            |             |
|---------------------------------------------------|--------------------------------|------------|-------------|------------------------------|------------|-------------|
|                                                   | 2025                           | 2024       | Variance    | 2025                         | 2024       | Variance    |
| Revenues:                                         |                                |            |             |                              |            |             |
| Offshore Manufactured Products                    |                                |            |             |                              |            |             |
| Project-driven:                                   |                                |            |             |                              |            |             |
| Products                                          | \$ 68,653                      | \$ 59,752  | \$ 8,901    | \$ 127,777                   | \$ 112,889 | \$ 14,888   |
| Services                                          | 27,907                         | 31,024     | (3,117)     | 52,331                       | 56,257     | (3,926)     |
|                                                   | 96,560                         | 90,776     | 5,784       | 180,108                      | 169,146    | 10,962      |
| Military and other products                       | 10,026                         | 10,780     | (754)       | 19,074                       | 19,267     | (193)       |
|                                                   | 106,586                        | 101,556    | 5,030       | 199,182                      | 188,413    | 10,769      |
| Completion and Production Services                | 29,424                         | 46,421     | (16,997)    | 63,943                       | 93,713     | (29,770)    |
| Downhole Technologies                             | 29,396                         | 38,406     | (9,010)     | 62,219                       | 71,519     | (9,300)     |
|                                                   | \$ 165,406                     | \$ 186,383 | \$ (20,977) | \$ 325,344                   | \$ 353,645 | \$ (28,301) |
| Operating income (loss):                          |                                |            |             |                              |            |             |
| Offshore Manufactured Products <sup>(1)</sup>     | \$ 16,989                      | \$ 14,357  | \$ 2,632    | \$ 31,265                    | \$ 24,960  | \$ 6,305    |
| Completion and Production Services <sup>(2)</sup> | 1,877                          | (535)      | 2,412       | 5,380                        | (954)      | 6,334       |
| Downhole Technologies <sup>(3)</sup>              | (3,992)                        | (1,141)    | (2,851)     | (6,116)                      | (13,220)   | 7,104       |
| Corporate                                         | (9,597)                        | (10,636)   | 1,039       | (19,613)                     | (19,918)   | 305         |
|                                                   | \$ 5,277                       | \$ 2,045   | \$ 3,232    | \$ 10,916                    | \$ (9,132) | \$ 20,048   |

- (1) During the three and six months ended June 30, 2025, we recognized charges of \$0.3 million within the Offshore Manufactured Products segment, associated primarily with the consolidation and relocation of certain manufacturing and service locations. During the three and six months ended June 30, 2024, the segment incurred facility consolidation charges of \$1.5 million and \$3.0 million, respectively, associated primarily with the segment's consolidation and relocation of a manufacturing and service location.
- (2) During the three and six months ended June 30, 2025, we recognized charges of \$2.2 million and \$3.1 million, respectively, within the Completion and Production Services segment, associated primarily with the exit of service locations. During the three and six months ended June 30, 2024, the segment incurred charges of \$2.9 million and \$3.9 million, respectively, associated primarily with the consolidation and exit of certain underperforming service locations and the defense of certain patents.
- (3) During the three and six months ended June 30, 2025, we recognized charges of \$1.2 million within the Downhole Technologies segment, associated primarily with the exit of a leased facility. During the six months ended June 30, 2024, the segment incurred a \$10.0 million non-cash impairment charge related to goodwill reassigned to the business in connection with the realignment of operations between segments.

For further discussion of charges recognized during the three and six months ended June 30, 2025 and 2024, see Note 2, "Asset Impairments and Other Charges and Credits," to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

### Three Months Ended June 30, 2025 Compared to Three Months Ended June 30, 2024

We reported net income for the three months ended June 30, 2025 of \$2.8 million, or \$0.05 per share. The reported second quarter net income included charges of \$3.7 million (\$2.9 million after tax, or \$0.05 per share) associated primarily with the exit of U.S. land-based facilities and personnel reductions, partially offset by non-cash gains of \$0.4 million (\$0.3 million after-tax, or \$0.01 per share) associated with debt extinguishment. These results compare to net income for the three months ended June 30, 2024 of \$1.3 million, or \$0.02 per share, which included facility consolidation and other charges of \$4.4 million (\$3.5 million after-tax, or \$0.06 per share), partially offset by non-cash gains of \$0.5 million (\$0.4 million after-tax, or \$0.01 per share) associated with debt extinguishment.

Our results of operations for the second quarter of 2025 reflect the impact of management's decision to exit certain underperforming locations and service offerings in the United States, as well as the effect of a reduction by operators in U.S. land-based activity levels due to lower crude oil prices and competitive market conditions. These impacts were partially offset by stronger offshore and international project activity, supported by backlog growth over recent quarters.

**Revenues.** Consolidated total revenues in the second quarter of 2025 decreased \$21.0 million, or 11%, from the second quarter of 2024 due primarily to our exit of underperforming service offerings and locations and lower U.S. land-based activity levels. Excluding the impact of exited operations, which generated \$12.8 million of revenues in the second quarter of 2024, consolidated revenues decreased \$8.2 million, or 5%, year-over-year.

Consolidated product revenues in the second quarter of 2025 decreased \$1.2 million, or 1%, from the second quarter of 2024, with the impact of reduced U.S. customer demand for completion and perforating products substantially offset by higher customer demand for project-driven products. Consolidated service revenues in the second quarter of 2025 decreased \$19.7 million, or 25%, from the second quarter of 2024. This decrease was concentrated in the United States – driven by our exit of certain underperforming service offerings and locations and an industry-wide reduction in land-based activity levels.

The following table provides supplemental disaggregated revenue from contracts with customers by operating segment for the three months ended June 30, 2025 and 2024 (in thousands):

| Three Months Ended June 30         | Offshore Manufactured Products |                   | Completion and Production Services |                  | Downhole Technologies |                  | Total             |                   |
|------------------------------------|--------------------------------|-------------------|------------------------------------|------------------|-----------------------|------------------|-------------------|-------------------|
|                                    | 2025                           | 2024              | 2025                               | 2024             | 2025                  | 2024             | 2025              | 2024              |
| <b>Project-driven:</b>             |                                |                   |                                    |                  |                       |                  |                   |                   |
| Products                           | \$ 68,653                      | \$ 59,752         | \$ —                               | \$ —             | \$ —                  | \$ —             | \$ 68,653         | \$ 59,752         |
| Services                           | 27,907                         | 31,024            | —                                  | —                | —                     | —                | 27,907            | 31,024            |
| Total project-driven               | 96,560                         | 90,776            | —                                  | —                | —                     | —                | 96,560            | 90,776            |
| <b>Military and other products</b> | 10,026                         | 10,780            | —                                  | —                | —                     | —                | 10,026            | 10,780            |
| <b>Short-cycle:</b>                |                                |                   |                                    |                  |                       |                  |                   |                   |
| Products                           | —                              | —                 | —                                  | —                | 28,663                | 38,047           | 28,663            | 38,047            |
| Services                           | —                              | —                 | 29,424                             | 46,421           | 733                   | 359              | 30,157            | 46,780            |
| Total short-cycle                  | —                              | —                 | 29,424                             | 46,421           | 29,396                | 38,406           | 58,820            | 84,827            |
|                                    | <u>\$ 106,586</u>              | <u>\$ 101,556</u> | <u>\$ 29,424</u>                   | <u>\$ 46,421</u> | <u>\$ 29,396</u>      | <u>\$ 38,406</u> | <u>\$ 165,406</u> | <u>\$ 186,383</u> |
| <b>By destination:</b>             |                                |                   |                                    |                  |                       |                  |                   |                   |
| Offshore and international         | \$ 99,620                      | \$ 94,372         | \$ 11,478                          | \$ 13,629        | \$ 8,016              | \$ 10,624        | \$ 119,114        | \$ 118,625        |
| U.S. land                          | 6,966                          | 7,184             | 17,946                             | 32,792           | 21,380                | 27,782           | 46,292            | 67,758            |
|                                    | <u>\$ 106,586</u>              | <u>\$ 101,556</u> | <u>\$ 29,424</u>                   | <u>\$ 46,421</u> | <u>\$ 29,396</u>      | <u>\$ 38,406</u> | <u>\$ 165,406</u> | <u>\$ 186,383</u> |
| <b>As a percentage of total:</b>   |                                |                   |                                    |                  |                       |                  |                   |                   |
| Offshore and international         |                                |                   |                                    |                  |                       |                  | 72 %              | 64 %              |
| U.S. land                          |                                |                   |                                    |                  |                       |                  | 28 %              | 36 %              |

**Cost of Revenues (exclusive of Depreciation and Amortization Expense).** Our consolidated total cost of revenues (exclusive of depreciation and amortization expense) in the second quarter of 2025 decreased \$16.7 million, or 12%, compared to the level reported in the second quarter of 2024.

Consolidated product costs in the second quarter of 2025 increased \$1.4 million, or 2%, from the second quarter of 2024 driven primarily by a shift in product sales mix. Consolidated service costs in the second quarter of 2025 decreased \$18.1 million, or 30%, from the second quarter of 2024, due to lower revenue levels and strategic actions implemented in our U.S. land operations to improve reported results.

**Selling, General and Administrative Expense.** Selling, general and administrative expense was \$23.0 million in the second quarter of 2025. This compares to an expense of \$26.4 million in the second quarter of 2024, which included \$1.0 million of costs associated with enforcing certain of our patents. Excluding these patent litigation costs, selling, general and administrative costs decreased \$2.4 million, or 10%, from the second quarter of 2024, due primarily to lower incentive-based compensation, marketing and bad debt expenses.

**Depreciation and Amortization Expense.** Depreciation and amortization expense decreased \$2.8 million, or 19%, in the second quarter of 2025 compared to the prior-year quarter. Note 10, “Segments and Related Information,” to our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q presents depreciation and amortization expense by segment.

**Impairment of Operating Lease Assets.** In the second quarter of 2025, management continued its restructuring efforts to reduce costs in its U.S. land-based operations. As a result of these decisions, our Completion and Productions Services and Downhole Technologies segments recognized non-cash impairment charges totaling \$1.4 million in connection with its exit of leased locations. See Note 2, “Asset Impairments and Other Charges and Credits,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

**Operating Income.** Our consolidated operating income was \$5.3 million in the second quarter of 2025, which included \$1.4 million in non-cash operating lease impairment charges as well as charges totaling \$2.3 million associated with facility consolidations and exits and other management actions. This compares to second quarter 2024 consolidated operating income of \$2.0 million, which included facility consolidation and other charges of \$4.4 million. Excluding these charges, operating income increased by \$2.5 million year-over-year, driven primarily by growth in offshore and international activity and actions taken to improve U.S. land-based operating results.

**Interest Expense, Net.** Net interest expense totaled \$1.7 million in the second quarter of 2025, which compares to \$2.1 million in the same period of 2024. Interest expense as a percentage of total debt outstanding was approximately 7% in the second quarters of 2025 and 2024.

**Income Tax.** Income tax benefit (provision) for the three months ended June 30, 2025 and 2024 was calculated using a discrete approach. This methodology was used because changes in our results of operations and non-deductible expenses can materially impact the estimated annual effective tax rate. For the three months ended June 30, 2025, our income tax provision was \$1.4 million, which included the impact of valuation allowance adjustments for deferred tax assets, certain discrete tax items and other non-deductible expenses, on pre-tax income of \$4.2 million. This compares to an income tax benefit of \$0.7 million, which included the impact of favorable changes in valuation allowances recorded against deferred tax assets and certain non-deductible expenses, on pre-tax income of \$0.6 million for the three months ended June 30, 2024.

**Other Comprehensive Income (Loss).** Reported comprehensive income (loss) is the sum of reported net income and other comprehensive income (loss). Other comprehensive income was \$9.1 million in the second quarter of 2025 compared to other comprehensive loss of \$3.2 million in the second quarter of 2024 due to fluctuations in currency exchange rates compared to the U.S. dollar which are used to translate certain of the international operations of our operating segments. For the three months ended June 30, 2025 and 2024, currency translation adjustments recognized as a component of other comprehensive income (loss) were primarily attributable to the United Kingdom and Brazil. During the second quarter of 2025, the exchange rate for the British pound and the Brazilian real strengthened compared to the U.S. dollar. In the second quarter of 2024, the exchange rates for the British pound was flat while the Brazilian real weakened compared to the U.S. dollar.

## ***Segment Operating Results***

### ***Offshore Manufactured Products***

**Revenues.** Our Offshore Manufactured Products segment revenues increased \$5.0 million, or 5%, in the second quarter of 2025 compared to the second quarter of 2024 due to increased international and offshore project-driven product revenue, supported by backlog growth over recent quarters.

**Operating Income.** Our Offshore Manufactured Products segment reported operating income of \$17.0 million in the second quarter of 2025, which included \$0.3 million in facility consolidation and relocation charges. This compares to operating income in the second quarter of 2024 of \$14.4 million, which included \$1.5 million in facility consolidation charges. Excluding these charges, operating income increased \$1.4 million year-over-year.

**Backlog.** Backlog in our Offshore Manufactured Products segment totaled \$363 million as of June 30, 2025, with second quarter 2025 bookings of \$112 million and a quarterly book-to-bill ratio of 1.1x.

#### ***Completion and Production Services***

**Revenues.** Our Completion and Production Services segment revenues decreased \$17.0 million, or 37%, in the second quarter of 2025 compared to the prior-year period, driven by the exit of underperforming service offerings and facilities and lower U.S. land-based activity levels. Excluding the impact of exited operations, which generated \$12.8 million of revenues in the second quarter of 2024, revenues declined \$4.2 million, or 13%, year-over-year – driven primarily by the industry-wide reduction in U.S. land completion-related activity.

**Operating Income (Loss).** Our Completion and Production Services segment reported operating income of \$1.9 million in the second quarter of 2025, which included charges totaling \$2.2 million associated primarily with the exit of service locations. This compares to an operating loss of \$0.5 million in the second quarter of 2024, which included charges totaling \$2.9 million associated with facility consolidations and exits, and the defense of patents. Excluding these charges, the Completion and Production Services segment's operating results improved \$1.7 million from the prior-year period, supported by the segment's U.S. land-based restructuring efforts and gains recognized on the sales of idle facilities.

#### ***Downhole Technologies***

**Revenues.** Our Downhole Technologies segment revenues decreased \$9.0 million, or 23%, in the second quarter of 2025 from the prior-year period, driven primarily by lower U.S. customer activity levels.

**Operating Loss.** Our Downhole Technologies segment reported an operating loss of \$4.0 million in the second quarter of 2025, which included charges totaling \$1.2 million primarily associated with the exit of a leased facility. This compares to an operating loss of \$1.1 million in the second quarter of 2024. Excluding charges, the Downhole Technologies operating results declined \$1.6 million year-over-year, driven by the decline in revenues.

#### ***Corporate***

**Operating Loss.** Corporate expenses decreased \$1.0 million, or 10%, in the second quarter of 2025 from the prior-year period due primarily to lower performance-based incentive expense.

## Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

We reported net income for the six months ended June 30, 2025 of \$6.0 million, or \$0.10 per share. The reported first six months net income included charges of \$4.6 million (\$3.6 million after tax, or \$0.07 per share) associated with the restructuring of certain of our U.S. land-based operations, facility consolidations and closures, and personnel reductions, partially offset by non-cash gains of \$0.4 million (\$0.3 million after-tax, or \$0.01 per share) associated with debt extinguishment. These results compare to a net loss for the six months ended June 30, 2024 of \$12.1 million, or \$0.19 per share, which included: a non-cash goodwill impairment charge of \$10.0 million (\$9.5 million after-tax, or \$0.15 per share) and facility consolidation and other charges of \$6.9 million (\$5.5 million after-tax, or \$0.09 per share), partially offset by non-cash gains of \$0.5 million (\$0.4 million after-tax, or \$0.01 per share) associated with debt extinguishment.

Our results of operations for the first six months of 2025 reflect the impact of management's decision to exit certain underperforming locations and service offerings in the United States as well as the effect of a reduction by operators in U.S. land-based activity due to lower crude oil prices and competitive market conditions. These impacts were partially offset by stronger offshore and international project activity, supported by backlog growth over recent quarters.

**Revenues.** Consolidated total revenues in the first six months of 2025 decreased \$28.3 million, or 8%, from the first six months of 2024 due primarily to our exit of underperforming service offerings and locations and lower U.S. land-based activity levels. Excluding the impact of exited operations, which generated \$29.6 million of revenues in the first six months of 2024, consolidated revenues increased \$1.3 million year-over-year.

Consolidated product revenues in the first six months of 2025 increased \$5.0 million, or 2%, from the first six months of 2024, with the impact of higher customer demand for connector and valve products partially offset by a reduced U.S. customer demand for completion and perforating products. Consolidated service revenues in the first six months of 2025 decreased \$33.3 million, or 22%, from the first six months of 2024. This decrease was concentrated in the United States – driven by our exit of certain underperforming service offerings and locations and an industry-wide reduction in land-based activity levels.

The following table provides supplemental disaggregated revenue from contracts with customers by operating segment for the six months ended June 30, 2025 and 2024 (in thousands):

| Six Months Ended June 30           | Offshore Manufactured Products |                   | Completion and Production Services |                  | Downhole Technologies |                  | Total             |                   |
|------------------------------------|--------------------------------|-------------------|------------------------------------|------------------|-----------------------|------------------|-------------------|-------------------|
|                                    | 2025                           | 2024              | 2025                               | 2024             | 2025                  | 2024             | 2025              | 2024              |
| <b>Project-driven:</b>             |                                |                   |                                    |                  |                       |                  |                   |                   |
| Products                           | \$ 127,777                     | \$ 112,889        | \$ —                               | \$ —             | \$ —                  | \$ —             | \$ 127,777        | \$ 112,889        |
| Services                           | 52,331                         | 56,257            | —                                  | —                | —                     | —                | 52,331            | 56,257            |
| Total project-driven               | 180,108                        | 169,146           | —                                  | —                | —                     | —                | 180,108           | 169,146           |
| <b>Military and other products</b> | 19,074                         | 19,267            | —                                  | —                | —                     | —                | 19,074            | 19,267            |
| <b>Short-cycle:</b>                |                                |                   |                                    |                  |                       |                  |                   |                   |
| Products                           | —                              | —                 | —                                  | —                | 61,042                | 70,752           | 61,042            | 70,752            |
| Services                           | —                              | —                 | 63,943                             | 93,713           | 1,177                 | 767              | 65,120            | 94,480            |
| Total short-cycle                  | —                              | —                 | 63,943                             | 93,713           | 62,219                | 71,519           | 126,162           | 165,232           |
|                                    | <u>\$ 199,182</u>              | <u>\$ 188,413</u> | <u>\$ 63,943</u>                   | <u>\$ 93,713</u> | <u>\$ 62,219</u>      | <u>\$ 71,519</u> | <u>\$ 325,344</u> | <u>\$ 353,645</u> |
| <b>By destination:</b>             |                                |                   |                                    |                  |                       |                  |                   |                   |
| Offshore and international         | \$ 184,861                     | \$ 174,174        | \$ 24,868                          | \$ 25,064        | \$ 15,622             | \$ 19,567        | \$ 225,351        | \$ 218,805        |
| U.S. land                          | 14,321                         | 14,239            | 39,075                             | 68,649           | 46,597                | 51,952           | 99,993            | 134,840           |
|                                    | <u>\$ 199,182</u>              | <u>\$ 188,413</u> | <u>\$ 63,943</u>                   | <u>\$ 93,713</u> | <u>\$ 62,219</u>      | <u>\$ 71,519</u> | <u>\$ 325,344</u> | <u>\$ 353,645</u> |
| <b>As a percentage of total:</b>   |                                |                   |                                    |                  |                       |                  |                   |                   |
| Offshore and international         |                                |                   |                                    |                  |                       |                  | 69 %              | 62 %              |
| U.S. land                          |                                |                   |                                    |                  |                       |                  | 31 %              | 38 %              |

**Cost of Revenues (exclusive of Depreciation and Amortization Expense).** Our consolidated total cost of revenues (exclusive of depreciation and amortization expense) in the first six months of 2025 decreased \$26.0 million, or 9%, compared to the first six months of 2024.

Consolidated product costs in the first six months of 2025 increased \$6.6 million, or 4%, compared to the first six months of 2024 due primarily to the reported increase in product revenue as well as an unfavorable shift in product sales mix. Consolidated service costs in the first six months of 2025 decreased \$32.6 million, or 28%, compared to the first six months of 2024, due to lower revenue levels and the strategic actions implemented in our U.S. land-based operations to improve reported results.

**Selling, General and Administrative Expense.** Selling, general and administrative expense totaled \$45.5 million in the first six months of 2025. This compares to an expense of \$48.9 million in the first six months of 2024, which included \$1.3 million of costs associated with enforcing certain of our patents. Excluding these patent litigation costs, selling, general and administrative costs decreased \$2.0 million, or 4%, from the prior-year period, due primarily to lower compensation, marketing and bad debt expenses.

**Depreciation and Amortization Expense.** Depreciation and amortization expense in the first six months of 2025 decreased \$5.0 million, or 17%, compared to the prior-year period. Note 10, “Segments and Related Information,” to our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q presents depreciation and amortization expense by segment.

**Impairment of Operating Lease Assets.** In the first six months of 2025, management continued its restructuring efforts to reduce costs in its U.S. land-based operations. As a result of these decisions, our Completion and Productions Services and Downhole Technologies segments recognized non-cash impairment charges totaling \$1.4 million in connection with its exit of leased locations. See Note 2, “Asset Impairments and Other Charges and Credits,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

**Impairment of Goodwill.** In the first quarter of 2024, our Downhole Technologies operations recognized a non-cash impairment charge of \$10.0 million related to goodwill transferred to the business in connection with the realignment of operations between segments. See Note 2, “Asset Impairments and Other Charges and Credits,” to our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

**Operating Income (Loss).** Our consolidated operating income was \$10.9 million in the first six months of 2025, which included \$1.4 million in non-cash operating lease asset impairment charges as well as charges totaling \$3.2 million associated with facility consolidations and exits and other management actions. This compares to a consolidated operating loss of \$9.1 million in the first six months of 2024, which included a \$10.0 million non-cash goodwill impairment charge and \$6.9 million in facility consolidation and other charges. Excluding these charges, operating results improved by \$7.7 million year-over-year, driven primarily by growth in offshore and international activity and actions taken to improve our U.S. land-based operating results.

**Interest Expense, Net.** Net interest expense totaled \$3.3 million in the first six months of 2025, which compares to \$4.2 million in the first six months of 2024. Interest expense as a percentage of total debt outstanding was approximately 7% in the first six months of 2025 and 2024.

**Income Tax.** Income tax benefit (provision) for the first six months of 2025 and 2024 was calculated using a discrete approach. This methodology was used because changes in our results of operations and non-deductible expenses can materially impact the estimated annual effective tax rate. For the first six months of 2025, our income tax provision was \$2.5 million, which included the impact of certain discrete tax items and other non-deductible expenses on pre-tax income of \$8.4 million. This compares to an income tax benefit of \$0.6 million, which included the impact of a \$10.0 million goodwill impairment charge, other non-deductible expenses and favorable changes in valuation allowances recorded against deferred tax assets, on a pre-tax loss of \$12.7 million for the first six months of 2024.

**Other Comprehensive Income (Loss).** Reported comprehensive income (loss) is the sum of reported net income (loss) and other comprehensive income (loss). Other comprehensive income was \$14.6 million in the first six months of 2025 compared to other comprehensive loss of \$6.2 million in the first six months of 2024 due to fluctuations in foreign currency exchange rates compared to the U.S. dollar for certain of the international operations of our operating segments. For the first six months of 2025 and 2024, currency translation adjustments recognized as a component of other comprehensive income (loss) were primarily attributable to the United Kingdom and Brazil. During the first six months of 2025, the exchange rates for both the British pound and the Brazilian real strengthened compared to the U.S. dollar. This compares to the first six months of 2024, when the exchange rates for both the British pound and the Brazilian real weakened compared to the U.S. dollar.

## Segment Operating Results

### *Offshore Manufactured Products*

**Revenues.** Our Offshore Manufactured Products segment revenues increased \$10.8 million, or 6%, in the first six months of 2025 compared to the first six months of 2024 due primarily to increased demand for the segment's international and offshore project-driven connector and valve products.

**Operating Income.** Our Offshore Manufactured Products segment reported operating income of \$31.3 million in the first six months of 2025, which included \$0.3 million in facility consolidation and relocation charges. This compares to operating income of \$25.0 million in the first six months of 2024, which included \$3.0 million in facility consolidation and other charges. Excluding these charges, the Offshore Manufactured Products segment's operating income increased \$3.6 million year-over-year due primarily to the reported revenue growth.

**Backlog.** Backlog in our Offshore Manufactured Products segment totaled \$363 million as of June 30, 2025 compared to \$311 million as of December 31, 2024. Bookings during the first six months of 2025 were \$248 million, yielding a book-to-bill ratio of 1.2x.

### *Completion and Production Services*

**Revenues.** Our Completion and Production Services segment revenues decreased \$29.8 million, or 32%, in the first six months of 2025 compared to the first six months of 2024, driven primarily by the exit of underperforming U.S. service offerings and facilities. Excluding the impact of exited operations, which generated \$29.6 million of revenues in the first six months of 2024, revenues were consistent year-over-year.

**Operating Income (Loss).** Our Completion and Production Services segment reported operating income of \$5.4 million in the first six months of 2025, which included \$3.1 million in facility exit charges. This compares to an operating loss of \$1.0 million in the first six months of 2024, which included charges totaling \$3.9 million associated with facility consolidations and exits, and the defense of patents. Excluding these charges, the Completion and Production Services segment's operating results improved \$5.5 million from the prior-year period, due primarily to the cost reduction measures implemented.

### *Downhole Technologies*

**Revenues.** Our Downhole Technologies segment revenues decreased \$9.3 million, or 13%, in the first six months of 2025 from the first six months of 2024, driven primarily by lower U.S. customer activity levels and competitive market conditions.

**Operating Loss.** Our Downhole Technologies segment reported an operating loss of \$6.1 million in the first six months of 2025, which included charges totaling \$1.2 million primarily associated with the exit of a leased facility. This compares to an operating loss of \$13.2 million reported in the first six months of 2024, which included the \$10.0 million non-cash goodwill impairment charge related to the segment realignment in the first quarter of 2024. Excluding charges, the Downhole Technologies segment's operating results declined \$1.7 million from the prior-year period, due primarily to the decrease in activity levels and lower fixed-cost coverage.

### *Corporate*

**Operating Loss.** Corporate expenses in the first six months of 2025 decreased \$0.3 million, or 2%, from the first six months of 2024, due primarily to lower performance-based incentive expense.

## **Liquidity, Capital Resources and Other Matters**

Our primary liquidity needs are to fund operating and capital expenditures, new product development, general working capital needs and debt repayment. In addition, capital has been used to fund share repurchases and fund strategic business acquisitions. Our primary sources of funds are cash flow from operations and proceeds from borrowings under our ABL Facility and, less frequently, capital markets transactions.

### ***Operating Activities***

Cash flows from operations totaled \$24.3 million during the first six months of 2025, compared to \$1.1 million used in operations during the first six months of 2024.

During the first six months of 2025, \$6.1 million was used to fund net working capital increases, which includes a decrease in accounts payable and payment of accrued short- and long-term cash incentive compensation, as well as a decrease in accounts receivable. During the first six months of 2024, \$28.3 million was used to fund net working capital increases, primarily due to an activity-driven increase in inventories, the payment of accrued 2023 short- and long-term cash incentives in the first quarter of 2024 and a decrease in accounts payable.

### ***Investing Activities***

Net cash used in investing activities during the first six months of 2025 totaled \$6.9 million, compared to \$3.2 million used in investing activities during the first six months of 2024.

Capital expenditures totaled \$19.5 million and \$15.9 million during the first six months of 2025 and 2024, respectively. These investments were offset by proceeds from the sale of property, equipment and assets held for sale of \$12.6 million and \$12.8 million during the first six months of 2025 and 2024, respectively.

Including investments associated with the continuing construction of a new facility in Batam, Indonesia, we expect to invest approximately \$30 million in capital expenditures during 2025. We plan to fund our capital expenditures with available cash, internally generated funds and, if necessary, borrowings under our amended ABL Facility discussed below.

### ***Financing Activities***

During the first six months of 2025, net cash of \$29.1 million was used in financing activities, which included the purchase of \$14.8 million principal amount of our outstanding 2026 Notes for \$14.3 million in cash and the repurchase of 2.4 million shares of our common stock (or 4% of our common stock outstanding as of January 1, 2025) for \$12.0 million. This compares to \$17.2 million of cash used in financing activities during the first six months of 2024, which included the purchase of \$11.5 million principal amount of our outstanding 2026 Notes for \$10.8 million in cash and the repurchase of \$2.4 million of our common stock.

As of June 30, 2025, we had cash and cash equivalents totaling \$53.9 million, which compared to \$65.4 million as of December 31, 2024.

As of June 30, 2025, we had no borrowings outstanding under our ABL Facility, \$108.8 million principal amount of our 2026 Notes outstanding and other debt of \$2.5 million. Our reported interest expense included amortization of deferred financing costs of \$0.7 million during the first six months of 2025. For the first six months of 2025, our contractual cash interest expense was \$3.4 million, or approximately 6% of the average principal balance of debt outstanding.

We believe that cash on-hand, cash flow from operations and borrowing capacity available under our ABL Facility will be sufficient to meet our liquidity needs in the coming twelve months. Our 2026 Notes mature on April 1, 2026, and we anticipate that cash on hand, cash flow from operations and borrowings under our amended ABL Facility will be sufficient to permit us to fully retire the remaining balance of the 2026 Notes. As further discussed below, on July 28, 2025 we amended our ABL Facility to increase advance rates, lower interest charges and plan for the retirement of all 2026 Notes that remain outstanding at maturity in April of 2026. If our plans or assumptions change, or are inaccurate, we may need to raise additional capital from other sources. Our ability to obtain capital to repay debt, for general liquidity needs and for additional projects to implement our growth strategy over the longer term will depend upon our future operating performance, financial condition and, more broadly, on the availability of equity and debt financing. Capital availability will be affected by prevailing conditions in our industry, the global economy, the global banking and financial markets and other factors, many of which are beyond our control. For companies like ours that support the energy industry, disruptions affecting the availability of capital have in the past and may in

the future negatively impact the value of our common stock and may reduce our ability to access capital in the bank and capital markets or result in such capital being available on less favorable terms, which could negatively affect our liquidity.

On March 6, 2024, the SEC finalized rules relating to the disclosure of a range of climate-related information (the “Rules”). The Rules were temporarily stayed by the SEC on April 4, 2024 pending judicial review, and on March 27, 2025, the SEC announced it would end its defense of the Rules. Although the SEC’s rules are unlikely to become effective, certain states have enacted or are considering the adoption of similar rules. Thus, the ultimate impact on our business is uncertain, and we and our customers may incur increased compliance costs related to the assessment and disclosure of climate-related risks. For more information on our risks related to climate change, see the risk factors in “Part I, Item 1A. Risk Factors” included in our 2024 Annual Report on Form 10-K titled, “Our and our customers’ operations are subject to a series of risks arising out of the threat of climate change that could result in increased operating costs, limit the areas in which oil and natural gas production may occur, and reduce demand for the products and services we provide,” “The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and could impose new costs on our customers’ operations” and “Increasing attention to ESG matters may impact our business.”

**Stock Repurchase Program.** In October 2024, our Board of Directors authorized \$50.0 million for repurchases of our common stock, par value \$0.01 per share, through October 2026. Subject to applicable securities laws, such purchases will be at such times and in such amounts as we deem appropriate.

During the six months ended June 30, 2025, \$12.0 million in repurchases of common stock were made under this program. The amount remaining under our new share repurchase authorization as of June 30, 2025 was \$29.3 million.

**Revolving Credit Facility.** Our senior secured credit facility provides for an asset-based revolving credit facility (the “ABL Facility”) under which credit availability is subject to a borrowing base calculation.

The ABL Facility is governed by a credit agreement with Wells Fargo Bank, National Association, as administrative agent and the lenders and other financial institutions from time to time party thereto (as amended, the “ABL Agreement”). The ABL Agreement matures on February 16, 2028. On July 28, 2025, we amended our ABL Agreement to increase advance rates, lower interest charges and plan for the retirement of all 2026 Notes that remain outstanding at maturity in April of 2026. See Note 4, “Long-term Debt,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for further information regarding the ABL Agreement.

As of June 30, 2025, we had \$17.1 million of outstanding letters of credit, but no borrowings outstanding under the ABL Agreement. The total amount available to be drawn as of June 30, 2025 was \$59.3 million, calculated based on the then-current borrowing base less outstanding letters of credit.

**2026 Notes.** We issued \$135.0 million aggregate principal amount of the 2026 Notes pursuant to an indenture, dated as of March 19, 2021 (the “2026 Indenture”), between us and Computershare Trust Company, National Association, as successor trustee. As of June 30, 2025, we have purchased a cumulative \$26.3 million principal amount of the 2026 Notes for \$25.1 million in cash, with \$108.8 million principal amount outstanding. The outstanding 2026 Notes will mature on April 1, 2026, unless earlier repurchased, redeemed or converted.

The 2026 Indenture contains certain events of default, including certain defaults by us with respect to other indebtedness of at least \$40.0 million. See Note 4, “Long-term Debt,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for further information regarding the 2026 Notes. As of June 30, 2025, none of the conditions allowing holders of the 2026 Notes to convert, or requiring us to repurchase the 2026 Notes, had been met.

Our total debt represented 14% and 16% of our combined total debt and stockholders’ equity as of June 30, 2025 and December 31, 2024, respectively.

**Contingencies and Other Obligations.** We are a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters.

See Note 11, “Commitments and Contingencies,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

**Off-Balance Sheet Arrangements.** As of June 30, 2025, we had no off-balance sheet arrangements.

## Critical Accounting Policies

For a discussion of the critical accounting policies and estimates that we use in the preparation of our condensed consolidated financial statements, see “Part II Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2024. These estimates require significant judgments, assumptions and estimates. We have discussed the development, selection, and disclosure of these critical accounting policies and estimates with the audit committee of our Board of Directors. There have been no material changes to the judgments, assumptions and estimates upon which our critical accounting estimates are based.

## Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, which are adopted by us as of the specified effective date. Management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on our consolidated financial statements upon adoption.

## Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

Market risk refers to the potential losses arising from changes in interest rates, foreign currency exchange rates, equity prices and commodity prices, including the correlation among these factors and their volatility.

Our principal market risks are our exposure to changes in interest rates and foreign currency exchange rates. We enter into derivative instruments only to the extent considered necessary to meet risk management objectives and do not use derivative contracts for speculative purposes.

**Interest Rate Risk.** We have a revolving credit facility that is subject to the risk of higher interest charges associated with increases in interest rates. As of June 30, 2025, we had no floating-rate obligations outstanding under our ABL Facility. The use of floating-rate obligations would expose us to the risk of increased interest expense in the event of increases in short-term interest rates.

**Foreign Currency Exchange Rate Risk.** Our operations are conducted in various countries around the world and we receive revenue from these operations in a number of different currencies. As such, our earnings are subject to movements in foreign currency exchange rates when transactions are denominated in (i) currencies other than the U.S. dollar, which is our functional currency, or (ii) the functional currency of our subsidiaries, which is not necessarily the U.S. dollar. In order to mitigate the effects of foreign currency exchange rate risks in areas outside of the United States (primarily in our Offshore Manufactured Products segment), we generally pay a portion of our expenses in local currencies and a substantial portion of our contracts provide for collections from customers in U.S. dollars. During the first six months of 2025, our reported foreign currency exchange losses were \$1.2 million and are included in “other operating (income) expense, net” in the consolidated statements of operations.

Accumulated other comprehensive loss, reported as a component of stockholders’ equity, primarily relates to fluctuations in currency exchange rates against the U.S. dollar as used to translate certain of the international operations of our operating segments. Our accumulated other comprehensive loss decreased \$14.6 million from \$79.5 million as of December 31, 2024 to \$64.9 million as of June 30, 2025, due to changes in currency exchange rates. During the six months ended June 30, 2025, the exchange rates for the British pound and the Brazilian real strengthened by 9% and 13%, respectively, compared to the U.S. dollar.

#### **ITEM 4. Controls and Procedures**

##### **(i) Evaluation of Disclosure Controls and Procedures**

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) of the Exchange Act. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2025 at the reasonable assurance level.

##### **(ii) Changes in Internal Control Over Financial Reporting**

There have been no changes in the Company's internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the three months ended June 30, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

### ITEM 1. Legal Proceedings

The information with respect to this Item 1 is set forth under Note 11, “Commitments and Contingencies.”

### ITEM 1A. Risk Factors

“Part I, Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024 includes a detailed discussion of our risk factors. The risks described in such report are not the only risks we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may materially adversely affect our business, financial conditions or future results. There have been no material changes to our risk factors as set forth in our 2024 Annual Report on Form 10-K.

### ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) None.

(b) None.

(c)

#### Purchases of Equity Securities by the Issuer and Affiliated Purchasers

| Period                         | Total Number of Shares Purchased <sup>(1)(2)</sup> | Average Price Paid per Share <sup>(1)(2)</sup> | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs <sup>(3)</sup> |
|--------------------------------|----------------------------------------------------|------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| April 1 through April 30, 2025 | —                                                  | \$ —                                           | —                                                                                | \$ 35,960,503                                                                                           |
| May 1 through May 31, 2025     | 812,553                                            | 4.54                                           | 812,553                                                                          | 32,237,927                                                                                              |
| June 1 through June 30, 2025   | 594,128                                            | 4.96                                           | 594,128                                                                          | 29,262,936                                                                                              |
| Total                          | 1,406,681                                          | \$ 4.72                                        | 1,406,681                                                                        |                                                                                                         |

(1) Average price paid per share excludes the impact of excise taxes.

(2) During the three-month period ended June 30, 2025, no shares were acquired from employees in connection with the settlement of income tax or related benefit withholding obligations arising from vesting of stock awards.

(3) In October 2024, our Board of Directors authorized \$50.0 million for repurchases of our common stock, par value \$0.01 per share, through October 2026. As of June 30, 2025, \$20.7 million of share repurchases have been made under this authorization.

### ITEM 3. Defaults Upon Senior Securities

None.

### ITEM 4. Mine Safety Disclosures

Not applicable.

## **ITEM 5. Other Information**

### *Rule 10b5-1 Trading Arrangement*

During the three months ended June 30, 2025, no director or executive officer adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as each is defined in Item 408 of Regulation S-K) related to securities of our company.

### *Amendment to Credit Agreement*

On July 28, 2025, the Company, as borrower, Wells Fargo Bank, National Association, as administrative agent (the “Administrative Agent”) and the other lenders signatory thereto entered into the Fifth Amendment to Credit Agreement (the “Fifth Amendment”). The Fifth Amendment amended the ABL Agreement, dated as of February 10, 2021 (as amended by the Fifth Amendment, the “Credit Agreement”). Please see Note 4 “Long-term Debt,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for further information regarding the Credit Agreement.

The Administrative Agent, the other lenders party to the Credit Agreement, and their respective affiliates have from time to time performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for the Company and its affiliates in the ordinary course of business for which they have received and would receive customary compensation. In addition, in the ordinary course of their various business activities, such parties and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investments and securities activities may involve the Company’s securities and/or instruments.

The description of the Credit Agreement contained herein represents only a summary of the material terms of the Fifth Amendment, does not purport to be complete and is qualified in its entirety by reference to the complete text of the amendment to the Credit Agreement, which is filed as Exhibit 10.1 to this Quarterly Report on Form 10-Q, and is incorporated by reference herein.

**ITEM 6. Exhibits**

| Exhibit No.                   | Description                                                                                                                                                                                                                                                                                                         |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#"><u>3.1</u></a>    | — <a href="#"><u>Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on July 27, 2023 (File No. 001-16337)).</u></a>                                                                                  |
| <a href="#"><u>3.2</u></a>    | — <a href="#"><u>Fifth Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K, as filed with the SEC on February 17, 2023 (File No. 001-16337)).</u></a>                                                                                                 |
| <a href="#"><u>3.3</u></a>    | — <a href="#"><u>Certificate of Designations of Special Preferred Voting Stock of Oil States International, Inc. (incorporated by reference to Exhibit 3.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000, as filed with the SEC on March 30, 2001 (File No. 001-16337)).</u></a> |
| <a href="#"><u>10.1*</u></a>  | — <a href="#"><u>Fifth Amendment to Credit Agreement, dated July 28, 2025, among Oil States International, Inc., as Borrower, the Lenders from time to time thereto, and Wells Fargo Bank, National Association as Agent.</u></a>                                                                                   |
| <a href="#"><u>31.1*</u></a>  | — <a href="#"><u>Certification of Chief Executive Officer of Oil States International, Inc. pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u></a>                                                                                                                 |
| <a href="#"><u>31.2*</u></a>  | — <a href="#"><u>Certification of Chief Financial Officer of Oil States International, Inc. pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u></a>                                                                                                                 |
| <a href="#"><u>32.1**</u></a> | — <a href="#"><u>Certification of Chief Executive Officer of Oil States International, Inc. pursuant to Rules 13a-14(b) or 15d-14(b) under the Securities Exchange Act of 1934, as amended.</u></a>                                                                                                                 |
| <a href="#"><u>32.2**</u></a> | — <a href="#"><u>Certification of Chief Financial Officer of Oil States International, Inc. pursuant to Rules 13a-14(b) or 15d-14(b) under the Securities Exchange Act of 1934, as amended.</u></a>                                                                                                                 |
| 101.INS*                      | — XBRL Instance Document                                                                                                                                                                                                                                                                                            |
| 101.SCH*                      | — XBRL Taxonomy Extension Schema Document                                                                                                                                                                                                                                                                           |
| 101.CAL*                      | — XBRL Taxonomy Extension Calculation Linkbase Document                                                                                                                                                                                                                                                             |
| 101.DEF*                      | — XBRL Taxonomy Extension Definition Linkbase Document                                                                                                                                                                                                                                                              |
| 101.LAB*                      | — XBRL Taxonomy Extension Label Linkbase Document                                                                                                                                                                                                                                                                   |
| 101.PRE*                      | — XBRL Taxonomy Extension Presentation Linkbase Document                                                                                                                                                                                                                                                            |
| 104                           | — Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)                                                                                                                                                                                                                          |

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\* Filed herewith.

\*\* Furnished herewith.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OIL STATES INTERNATIONAL, INC.

Date: July 31, 2025

By: /s/ LLOYD A. HAJDIK  
Lloyd A. Hajdik  
Executive Vice President, Chief Financial Officer and  
Treasurer (Duly Authorized Officer and Principal Financial Officer)

## FIFTH AMENDMENT TO CREDIT AGREEMENT AND FIRST AMENDMENT TO GUARANTY AND SECURITY AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT AND FIRST AMENDMENT TO GUARANTY AND SECURITY AGREEMENT (this “Agreement”), dated as of July 28, 2025, by and among (A) OIL STATES INTERNATIONAL, INC., a Delaware corporation (the “Borrower”), (B) the Lenders signatory hereto, and (C) WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, “Agent”), as Swing Lender, and as Issuing Bank.

## RECITALS

WHEREAS, the Borrower, the Lenders, and the Agent are parties to that certain Credit Agreement dated as of February 10, 2021 (as amended, restated, supplemented or otherwise modified from time to time before the date hereof, the “Credit Agreement”);

WHEREAS, the Borrower, the other Loan Parties party thereto, and Agent are parties to that certain Guaranty and Security Agreement dated as of February 10, 2021 (as amended, restated, supplemented or otherwise modified from time to time before the date hereof, the “Security Agreement”);

WHEREAS, the Borrower has requested certain amendments to the Credit Agreement and the Security Agreement, in each case, as more fully described herein; and

WHEREAS, the Agent and the Lenders party hereto have agreed, subject to the terms and conditions set forth herein, to such amendments to the Credit Agreement and the Security Agreement, in each case, as provided herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 Definitions. In addition to other terms which may be defined herein (including, without limitation, in the preamble and recitals to this Agreement), terms used, but not defined, herein shall have the meanings given such terms in the Credit Agreement (as amended hereby).

SECTION 2 Amendments to Credit Agreement.

(a) The Credit Agreement is amended by deleting the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and adding the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of Exhibit A attached hereto.

(b) Schedule C-1 of the Credit Agreement is amended so that it reads, in its entirety, as set forth on Schedule C-1 of this Agreement.

SECTION 3 Amendments to Security Agreement.

(a) The definition of “Cash Dominion Event” as set forth in Section 1(a)(vii) of the Security Agreement is amended by deleting the single instance of “\$14,062,500” and inserting “\$11,250,000” in replacement thereof.

---

(b) The definition of “Cash Dominion Period” as set forth in Section 1(a)(viii) of the Security Agreement is amended by deleting the single instance of “\$14,062,500” and inserting “\$11,250,000” in replacement thereof.

SECTION 4 Effectiveness. This Agreement shall become effective on the date upon which each of the following conditions precedent is satisfied:

(a) Execution of Counterparts of Agreement. The Agent shall have received counterparts of this Agreement duly executed by the Borrower, each of the Lenders, the Agent, the Swing Lender, and each Issuing Bank, each of which shall be an original, a facsimile, or in an electronic format acceptable to the Agent (followed promptly by an original).

(b) Execution of Counterparts of Guarantor Acknowledgement. The Agent shall have received counterparts of the Guarantor Acknowledgement duly executed by the Guarantors, each of which shall be an original, a facsimile, or in an electronic format acceptable to the Agent (followed promptly by an original).

(c) Amended and Restated Fee Letter. The Agent shall have received that certain Second Amended and Restated Fee Letter, dated as of the date hereof (the “Fee Letter”), among the Borrower and the Agent.

(d) Borrowing Base Certificate. The Agent shall have received a Borrowing Base Certificate reflecting a calculation of the Borrowing Base after giving pro forma effect to this Agreement.

(e) Fees. All fees and expenses earned, due and payable to the Agent and the Lenders on the date hereof shall have been paid, including fees pursuant to the Fee Letter.

SECTION 5 Limited Effect. Except as expressly provided herein, the Credit Agreement and the other Loan Documents shall remain unmodified and in full force and effect. This Agreement shall not be deemed (a) to be a waiver of, or consent to, or a modification or amendment of, any other term or condition of the Credit Agreement or any other Loan Document or a waiver of any Default or Event of Default, (b) to prejudice any right or rights which Agent or Lenders may now have or may have in the future under or in connection with the Credit Agreement or the other Loan Documents or any of the instruments or agreements referred to therein, as the same may be amended, restated, supplemented or modified from time to time, or (c) to be a commitment or any other undertaking or expression of any willingness to engage in any further discussion with Borrower or any other Person with respect to any waiver, consent, amendment, modification or any other change to the Credit Agreement or the Loan Documents or any rights or remedies arising in favor of Lenders or Agent, or any of them, under or with respect to any such documents.

SECTION 6 Representations and Warranties.

(a) General Representations and Warranties. Each Loan Party party hereto represents and warrants that (i) it has the corporate or other organizational power and authority to execute, deliver and perform its obligations under this Agreement, (ii) it has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Agreement, (iii) this Agreement has been duly executed and delivered on behalf of such Loan Party and (iv) this Agreement constitutes the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, except as enforcement may be limited by general equitable or

discretionary principles whether considered in a proceeding at law or in equity or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(b) Specific Representations and Warranties. Each Loan Party party hereto represents and warrants that (i) the representations and warranties made by such Loan Party set forth in the Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date hereof (except to the extent that such representations and warranties relate solely to an earlier date, in which case, such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date and (ii) no Default or Event of Default has occurred and is continuing or will result after giving effect to this Agreement on the date hereof.

SECTION 7 Acknowledgments Regarding Obligations. Each Loan Party hereby acknowledges, stipulates and agrees that all of the Obligations are due and owing by Loan Parties to the Lenders without any defense, deduction, offset, claim or counterclaim. No Loan Party is aware of any events or facts, any actions taken by any Person, or any other circumstances that have occurred prior to the effectiveness of this Agreement that constitute the basis for or may give rise to any defense, deduction, offset, claim or counterclaim of such Loan Party or any other Loan Party with respect to the Obligations.

SECTION 8 Waiver of Claims. To induce the Agent and the Lenders to enter into this Agreement, each Loan Party hereby releases, remises, acquits and forever discharges the Agent and each Lender and each of its respective employees, agents, representatives, consultants, attorneys, officers, directors, partners, fiduciaries, predecessors, successors and assigns, subsidiary corporations, parent corporations and related corporate divisions (collectively, the "Released Parties"), from any and all actions, causes of action, judgments, executions, suits, debts, claims, demands, liabilities, damages and expenses of any and every character, known or unknown, direct or indirect, at law or in equity, of whatever nature or kind, whether heretofore or hereafter arising, for or because of any manner of things done, omitted or suffered to be done by any of the Released Parties prior to and including the date of execution hereof, and in any way directly or indirectly arising out of any or in any way connected to this Agreement, the Credit Agreement or the other Loan Documents, except to the extent attributable to the gross negligence or willful misconduct of such Released Party (as finally determined by a court of competent jurisdiction) (collectively, the "Released Matters"). Each Loan Party hereby acknowledges that the agreements in this Section are intended to be in full satisfaction of all or any alleged injuries or damages arising in connection with the Released Matters.

SECTION 9 Execution in Counterparts; Loan Document. This Agreement is a Loan Document. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Execution of any such counterpart may be by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Agreement. Any party

delivering an executed counterpart of this Agreement by faxed, scanned or photocopied manual signature shall also deliver an original manually executed counterpart, but the failure to deliver an original manually executed counterpart shall not affect the validity, enforceability and binding effect of this Agreement. Each of the parties hereto represents and warrants to the other parties that it has the corporate capacity and authority to execute the Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

SECTION 10 CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER. THIS AGREEMENT SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE AND JURY TRIAL WAIVER SET FORTH IN SECTION 12 OF THE CREDIT AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, MUTATIS MUTANDIS.

SECTION 11 Entire Agreement. This Agreement is the entire agreement, and supersedes any prior agreements and contemporaneous oral agreements, of the parties concerning its subject matter. The recitals to this Agreement are incorporated herein by this reference.

SECTION 12 Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, beneficiaries, successors and permitted assigns.

SECTION 13 Reaffirmation of Obligations. Immediately after giving effect to this Agreement, Borrower reaffirms each Lien granted by it to the Agent for the benefit of the Lender Group and the Bank Product Providers under each of the Loan Documents to which it is a party, which Liens shall continue in full force and effect during the term of the Credit Agreement as amended by this Agreement, and shall continue to secure the Obligations (after giving effect to this Agreement), in each case, on and subject to the terms and conditions set forth in the Credit Agreement, as amended by this Agreement, and the other Loan Documents, and hereby restates, ratifies, and reaffirms each and every term and condition set forth in the Credit Agreement and the Loan Documents to which it is a party as such Loan Documents are effective as of the date hereof. Borrower hereby acknowledges and agrees that, immediately after giving effect to this Agreement, all of its obligations and liabilities under the Loan Documents to which it is a party, as such obligations and liabilities have been amended by this Agreement, are reaffirmed and remain in full force and effect.

SECTION 14 Reallocation. The amount of each Lender's Commitments, as of the date hereof, shall be as set forth on Schedule C-1 of this Agreement, and Agent and each Lender shall cooperate in good faith to make all payments and fundings which Agent and the Lenders must make to reallocate the Commitments and the Obligations in respect thereof among the Lenders in accordance with their respective Commitments as set forth on Schedule C-1 of this Agreement

[Continued on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers, all as of the day and year first written above.

OIL STATES INTERNATIONAL, INC.

By: /s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik

Title: Executive Vice President, Chief  
Financial Officer and Treasurer

[OIS—FIFTH AMENDMENT TO CREDIT AGREEMENT AND FIRST AMENDMENT TO GUARANTY AND SECURITY AGREEMENT]

---

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Agent, as a Lender,  
as Swing Lender, and as Issuing Bank

By:           /s/ William Plough  
Name:       William Plough  
Title:       Executive Director

JPMORGAN CHASE BANK NA, as a Lender and as Issuing Bank

By: /s/ Alexandra Mills  
Name: Alexandra Mills  
Title: Authorized Officer

[OIS—FIFTH AMENDMENT TO CREDIT AGREEMENT AND FIRST AMENDMENT TO GUARANTY AND SECURITY AGREEMENT]

---

BANK OF AMERICA, N.A., a national banking association, as Joint Lead Arranger, as Joint Book Runner, and as a Lender

By: /s/ Thomas Pietro  
Name: Thomas Pietro  
Title: Vice President

Zions Bancorporation, N.A. dba Amegy Bank, as a Lender

By: /s/ G. Scott Collins

Name: G. Scott Collins

Title: Executive Vice President

[OIS—FIFTH AMENDMENT TO CREDIT AGREEMENT AND FIRST AMENDMENT TO GUARANTY AND SECURITY AGREEMENT]

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### **Guarantor Acknowledgement**

Each of the undersigned, in its capacity as a Guarantor, acknowledges that its consent to the foregoing Agreement is not required, but each of the undersigned nevertheless does hereby consent to the foregoing Agreement and to the documents and agreements referred to therein. Nothing herein shall in any way limit any of the terms or provisions of the Guaranty and Security Agreement or the Loan Documents executed by the undersigned (as the same may be amended, restated, supplemented, or otherwise modified from time to time), all of which are hereby ratified and affirmed in all respects, and remain in full force and effect.

Immediately after giving effect to the foregoing Agreement, each Guarantor reaffirms each Lien granted by it to the Agent for the benefit of the Lender Group and the Bank Product Providers under each of the Loan Documents to which it is a party, which Liens shall continue in full force and effect during the term of the Credit Agreement and shall continue to secure the Obligations (after giving effect to the Agreement), in each case, on and subject to the terms and conditions set forth in the Credit Agreement and the other Loan Documents, and hereby restates, ratifies and reaffirms each and every term and condition set forth in the Credit Agreement and the Loan Documents to which it is a party as such Loan Documents are effective as of the date hereof. Each Guarantor hereby acknowledges and agrees that, immediately after giving effect to the Agreement, all of its respective obligations and liabilities under the Loan Documents to which it is a party remain in full force and effect.

[Continued on following page.]

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GUARANTORS:

CAPSTAR HOLDING, L.L.C.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

GD DEVELOPMENT CORPORATION

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

GEODYNAMICS, INC.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES ENERGY SERVICES HOLDING, LLC.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES ENERGY SERVICES, L.L.C.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES INDUSTRIES, INC.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES INDUSTRIES US, INC.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES MANAGEMENT, INC.

By: /s/ Lloyd A. Hajdik  
Name: Lloyd A. Hajdik  
Title: Vice President and Treasurer

OIL STATES SKAGIT SMATCO, LLC

By: /s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik

Title: Vice President and Treasurer

OSSES INTERNATIONAL, LLC

By: /s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik

Title: Vice President and Treasurer

TEMPRESS TECHNOLOGIES, INC.

By: /s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik

Title: Vice President and Treasurer

Exhibit A

[Please see attached.]

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**CREDIT AGREEMENT**

**by and among**

**WELLS FARGO BANK, NATIONAL ASSOCIATION,**

**as Agent,**

**WELLS FARGO BANK, NATIONAL ASSOCIATION,**

**BANK OF AMERICA, N.A., and**

**JPMORGAN CHASE BANK, N.A.,**

**as Joint Lead Arrangers,**

**WELLS FARGO BANK, NATIONAL ASSOCIATION,**

**BANK OF AMERICA, N.A., and**

**JPMORGAN CHASE BANK, N.A.,**

**as Joint Book Runners,**

**THE LENDERS THAT ARE PARTIES HERETO**

**as the Lenders, and**

**OIL STATES INTERNATIONAL, INC.,**

**as Borrower**

**Dated as of February 10, 2021**

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## CREDIT AGREEMENT

**THIS CREDIT AGREEMENT**, is entered into as of February 10, 2021, by and among:

(A) The lenders identified on the signature pages hereof (each of such lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”, as that term is hereinafter further defined);

(B) **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, “Agent”);

(C) **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, **BANK OF AMERICA, N.A.**, a national banking association, and **JPMORGAN CHASE BANK, N.A.**, a national banking association, as joint lead arrangers (in such capacities, together with their successors and assigns in such capacities, the “Joint Lead Arrangers”);

(D) **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, **BANK OF AMERICA, N.A.**, a national banking association, and **JPMORGAN CHASE BANK, N.A.**, a national banking association, as joint book runners (in such capacities, together with their successors and assigns in such capacities, the “Joint Book Runners”); and

(E) **OIL STATES INTERNATIONAL, INC.**, a Delaware corporation (“OIS” and, together with those additional entities that hereafter become parties hereto as Borrowers in accordance with the terms hereof by executing the form of Joinder attached hereto as Exhibit J-1, each a “Borrower” and, individually and collectively and jointly and severally, the “Borrowers”).

The parties agree as follows:

### 1. DEFINITIONS AND CONSTRUCTION.

**1.1. Definitions.** As used in this Agreement, the following terms shall have the following definitions:

“2023 Senior Notes” means the 1.50% Convertible Senior Notes due 2023 of OIS issued pursuant to the 2023 Senior Notes Indenture and any additional notes issued thereunder from time to time, as any such notes may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“2023 Senior Notes Indenture” means the Indenture, dated as of January 30, 2018, with OIS, as issuer, and Wells Fargo Bank, National Association, as trustee, relating to the 2023

Senior Notes, as such document may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“2026 Senior Notes” means unsecured convertible senior notes of OIS issued pursuant to an indenture, and any additional notes issued thereunder from time to time, in each case, so long as (a) such notes have a scheduled maturity date of no earlier than March 17, 2026, (b) the aggregate original principal amount of such notes does not exceed \$150,000,000.00, (c) the negative covenants, affirmative covenants, and events of default in the indenture and in any agreements, instruments, or other documents executed and delivered in connection therewith or related thereto, taken as a whole, are no more restrictive to the Loan Parties than the negative covenants, affirmative covenants, and events of default in the 2023 Senior Notes Indenture or in any of the agreements, instruments, or other documents executed and delivered in connection therewith or related thereto, taken as a whole, and (d) no Person is obligated (whether as a guarantor, borrower, co-borrower, grantor, pledgor or otherwise) with respect to such notes unless such Person becomes (substantially simultaneously with such Person’s becoming so obligated with respect to such notes or at such a later time as Agent may permit in its sole discretion) obligated with respect to the Obligations in the same manner in which such Person is obligated with respect to such notes or in such other manner and to such extent as Agent may require.

“Acceptable Appraisal” means, with respect to an appraisal of Inventory, the most recent appraisal of such property received by Agent (a) from an appraisal company satisfactory to Agent, (b) the scope and methodology (including, to the extent relevant, any sampling procedure employed by such appraisal company) of which are satisfactory to Agent, and (c) the results of which are satisfactory to Agent, in each case, in Agent’s Permitted Discretion.

“Account” means an account (as that term is defined in the Code).

“Account Debtor” means any Person who is obligated on an Account, chattel paper, or a general intangible.

“Account Party” has the meaning specified therefor in Section 2.11(h) of this Agreement.

“Accounting Changes” means changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or successor thereto or any agency with similar functions).

“Acquired Indebtedness” means Indebtedness of a Person whose assets or Equity Interests are acquired by a Loan Party or any of its Subsidiaries in a Permitted Acquisition; provided, that such Indebtedness (a) is either purchase money Indebtedness or a Capital Lease with respect to Equipment or mortgage financing with respect to Real Property, (b) was in existence prior to the date of such Permitted Acquisition, and (c) was not incurred in connection with, or in contemplation of, such Permitted Acquisition.

“Acquisition” means (a) the purchase or other acquisition by a Person or its Subsidiaries of all or substantially all of the assets of (or any division or business line of) any other Person, or (b) the purchase or other acquisition (whether by means of a merger, amalgamation, consolidation, or otherwise) by a Person or its Subsidiaries of all of the Equity Interests of any other Person.

“Additional Documents” has the meaning specified therefor in Section 5.12 of this Agreement.

“Adjusted Term SOFR” means, for purposes of any calculation, the rate *per annum* equal to ~~(a)~~ Term SOFR for such calculation ~~plus (b) the Term SOFR Adjustment~~; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

“Administrative Borrower” has the meaning specified therefor in Section 17.13 of this Agreement.

“Administrative Questionnaire” has the meaning specified therefor in Section 13.1(a) of this Agreement.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Lender” has the meaning specified therefor in Section 2.13(b) of this Agreement.

“Affiliate” means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Equity Interests, by contract, or otherwise; provided, that for purposes of the definition of “Eligible Billed Accounts” and Section 6.10 of this Agreement: (a) if any Person owns directly or indirectly 15% or more of the Equity Interests having ordinary voting power for the election of directors or other members of the governing body of a Person or 15% or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person), then both such Persons shall be Affiliates of each other, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

“Agent” has the meaning specified therefor in the preamble to this Agreement.

“Agent Assignee” has the meaning specified therefor in Section 17.18 of this Agreement.

“Agent-Related Persons” means Agent, together with its Affiliates, officers, directors, employees, attorneys, and agents.

“Agent’s Account” means the Deposit Account of Agent identified on Schedule A-1 to this Agreement (or such other Deposit Account of Agent that has been designated as such, in writing, by Agent to Borrowers and the Lenders).

“Agent’s Liens” means the Liens granted by each Loan Party or its Subsidiaries to Agent under the Loan Documents and securing the Obligations.

“Agreement” means this Credit Agreement, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

“Anti-Corruption Laws” means the FCPA, the U.K. Bribery Act of 2010, the Corruption of Foreign Public Officials Act (Canada), and all other applicable laws and regulations or ordinances concerning or relating to bribery or corruption in any jurisdiction in which any Loan Party or any of its Subsidiaries or Affiliates is located or is doing business, in each case, as amended.

“Anti-Money Laundering Laws” means the applicable laws or regulations in any jurisdiction in which any Loan Party or any of its Subsidiaries or Affiliates is located or is doing business that relates to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“Applicable Currency” means Dollars, Pounds Sterling, Euros, and any other currency that is readily available and freely transferable and convertible into Dollars that is approved by Agent in its Permitted Discretion and the applicable Issuing Bank (such approval not to be unreasonably withheld).

“Applicable Margin” means, as of any date of determination and with respect to Base Rate Loans or SOFR Loans, as applicable, the applicable margin set forth in the following table that corresponds to the Average Availability of Borrowers for the most recently completed month; provided, that for the period from the ~~Closing~~ Fifth Amendment Effective Date through and including the last day of the ~~third full~~ calendar month ~~following the Closing Date ending~~ September 30, 2025, the Applicable Margin shall be set at the margin in the row styled “Level ~~III~~”; provided further, that any time an Event of Default has occurred and is continuing, the Applicable Margin shall be set at the margin in the row styled “Level III”:

| Level | Average Availability                                                              | Applicable Margin for Base Rate Loans which are Revolving Loans (the “Base Rate Margin”) | Applicable Margin for SOFR Loans which are Revolving Loans (the “SOFR Margin”) |
|-------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| I     | ≥ 66.6% of the Maximum Revolver Amount                                            | <del>1.75</del> <u>1.25</u> percentage points                                            | <del>2.75</del> <u>2.25</u> percentage points                                  |
| II    | < 66.6% of the Maximum Revolver Amount and ≥ 33.3% of the Maximum Revolver Amount | <del>2.00</del> <u>1.50</u> percentage points                                            | <del>3.00</del> <u>2.50</u> percentage points                                  |
| III   | < 33.3% of the Maximum Revolver Amount                                            | <del>2.25</del> <u>1.75</u> percentage points                                            | <del>3.25</del> <u>2.75</u> percentage points                                  |

The Applicable Margin shall be re-determined as of the first day of each month.

“Applicable Unused Line Fee Percentage” means, as of any date of determination, the applicable percentage set forth in the following table that corresponds to the Average Revolver Usage of Borrowers for the most recently completed month as determined by Agent in its Permitted Discretion; provided, that for the period from the Closing Date through and including the last day of the third full calendar month following the Closing Date, the Applicable Unused Line Fee Percentage shall be set at the rate in the row styled “Level II”; provided further, that any time an Event of Default has occurred and is continuing, the Applicable Unused Line Fee Percentage shall be set at the margin in the row styled “Level II”:

| Level | Average Revolver Usage               | Applicable Unused Line Fee Percentage |
|-------|--------------------------------------|---------------------------------------|
| I     | > 50% of the Maximum Revolver Amount | 0.375 percentage points               |
| II    | ≤ 50% of the Maximum Revolver Amount | 0.50 percentage points                |

The Applicable Unused Line Fee Percentage shall be re-determined on the first date of each month by Agent.

“Application Event” means the occurrence of (a) a failure by Borrowers to repay all of the Obligations in full on the Maturity Date, or (b) an Event of Default and the election by

Agent or the Required Lenders to require that payments and proceeds of Collateral be applied pursuant to Section 2.4(b)(iii) of this Agreement.

“Assignee” has the meaning specified therefor in Section 13.1(a) of this Agreement.

“Assignment and Acceptance” means an Assignment and Acceptance Agreement substantially in the form of Exhibit A-1 to this Agreement.

“Authorized Person” means any one of the individuals identified as an officer of a Borrower on Schedule A-2 to this Agreement, or any other individual identified by Administrative Borrower as an authorized person and authenticated through Agent’s electronic platform or portal in accordance with its procedures for such authentication.

“Availability” means, as of any date of determination, the amount that Borrowers are entitled to borrow as Revolving Loans under Section 2.1 of this Agreement (after giving effect to the then outstanding Revolver Usage).

“Available Increase Amount” means, as of any date of determination, an amount equal to the result of (a) \$50,000,000, minus (b) the aggregate principal amount of Increases to the Revolver Commitments previously made pursuant to Section 2.14 of this Agreement.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.12(d)(iii)(D).

“Average Availability” means, with respect to any period, the sum of the aggregate amount of Availability for each day in such period (as calculated by Agent as of the end of each respective day) divided by the number of days in such period.

“Average Revolver Usage” means, with respect to any period, the sum of the aggregate amount of Revolver Usage for each day in such period (calculated as of the end of each respective day) divided by the number of days in such period.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council

of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Product” means any one or more of the following financial products or accommodations extended to any Loan Party or any of its Subsidiaries by a Bank Product Provider: (a) credit cards (including commercial cards (including so-called “purchase cards”, “procurement cards” or “p-cards”)), (b) payment card processing services, (c) debit cards, (d) stored value cards, (e) Cash Management Services, ~~or~~ (f) transactions under Hedge Agreements, or (g) any LC Facility.

“Bank Product Agreements” means those agreements entered into from time to time by any Loan Party or any of its Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products.

“Bank Product Collateralization” means providing cash collateral (pursuant to documentation reasonably satisfactory to Agent) to be held by Agent for the benefit of the Bank Product Providers (other than the Hedge Providers) in an amount determined by Agent as sufficient to satisfy the reasonably estimated credit exposure, operational risk or processing risk with respect to the then existing Bank Product Obligations (other than Hedge Obligations).

“Bank Product Obligations” means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by each Loan Party and its Subsidiaries to any Bank Product Provider pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all Hedge Obligations, and (c) all amounts that Agent or any Lender is obligated to pay to a Bank Product Provider as a result of Agent or such Lender purchasing participations from, or executing guarantees or indemnities or reimbursement obligations to, a Bank Product Provider with respect to the Bank Products provided by such Bank Product Provider to a Loan Party or its Subsidiaries.

“Bank Product Provider” means any Lender or any of its Affiliates, including each of the foregoing in its capacity, if applicable, as a Hedge Provider; provided, that no such Person (other than Wells Fargo or its Affiliates) shall constitute a Bank Product Provider with respect to a Bank Product unless and until Agent receives a Bank Product Provider Agreement from such Person (a) on or prior to the Closing Date (or such later date as Agent shall agree to in writing in its sole discretion) with respect to Bank Products provided on or prior to the Closing Date, or (b) on or prior to the date that is 10 days after the provision of such Bank Product to a Loan Party or its Subsidiaries (or such later date as Agent shall agree to in writing in its sole discretion) with respect to Bank Products provided after the Closing Date; provided further, that if, at any time, a Lender ceases to be a Lender under this Agreement (prior to the payment in full of the Obligations), then, from and after the date on which it so ceases to be a Lender hereunder,

neither it nor any of its Affiliates shall constitute Bank Product Providers and the obligations with respect to Bank Products provided by such former Lender or any of its Affiliates shall no longer constitute Bank Product Obligations.

“Bank Product Provider Agreement” means an agreement in substantially the form attached hereto as Exhibit B-2 to this Agreement, in form and substance satisfactory to Agent, duly executed by the applicable Bank Product Provider, the applicable Loan Parties, and Agent.

“Bank Product Reserves” means, as of any date of determination, those reserves that Agent deems necessary or appropriate to establish (based upon the Bank Product Providers’ determination of the liabilities and obligations of each Loan Party and its Subsidiaries in respect of Bank Product Obligations) in respect of Bank Products then provided or outstanding.

“Bankruptcy Code” means Title 11 of the United States Code as in effect from time to time.

“Base Rate” means, for any day, the greatest of (a) the Floor, (b) the Federal Funds Rate in effect on such day *plus* ½%, (c) Term SOFR for a one month tenor in effect on such day, *plus* 1%, provided that this clause (c) shall not be applicable during any period in which Term SOFR is unavailable or unascertainable, and (d) the rate of interest announced, from time to time, within Wells Fargo at its principal office in San Francisco as its “prime rate” in effect on such day, with the understanding that the “prime rate” is one of Wells Fargo’s base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Wells Fargo may designate.

“Base Rate Loan” means each portion of the Revolving Loans that bears interest at a rate determined by reference to the Base Rate.

“Base Rate Margin” has the meaning set forth in the definition of “Applicable Margin”.

“Benchmark” means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.12(d)(iii)(A).

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by Agent and Administrative Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated

syndicated credit facilities and (b) the related Benchmark Replacement Adjustment; provided that if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement shall be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Agent and Administrative Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means the earlier to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the

time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if the then-current Benchmark has any Available Tenors, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Start Date” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“Benchmark Unavailability Period” means the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12(d)(iii), and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12(d)(iii).

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“BHC Act Affiliate” of a Person means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such Person.

“Board of Directors” means, as to any Person, the board of directors (or comparable managers) of such Person, or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

“Board of Governors” means the Board of Governors of the Federal Reserve System of the United States (or any successor).

“Borrower” and “Borrowers” have the respective meanings specified therefor in the preamble to this Agreement.

“Borrower Materials” has the meaning specified therefor in Section 17.9(c) of this Agreement.

“Borrowing” means a borrowing consisting of Revolving Loans made on the same day by the Lenders (or Agent on behalf thereof), or by Swing Lender in the case of a Swing Loan.

“Borrowing Base” means, as of any date of determination, the result of:

(a) 85% of the amount of Eligible Billed Accounts of the Borrowing Base Parties, less the amount, if any, of the Dilution Reserve applicable to such Accounts, plus

(b) 75% of the amount of Eligible Unbilled Accounts of the Borrowing Base Parties, less the amount, if any, of the Dilution Reserve applicable to such Accounts, provided, however, that the amount set forth in this clause (b), shall not exceed 25% of the ~~Borrowing Base Maximum Revolver Amount~~, plus

(c) 75% of the amount of Eligible Progress Billings of the Borrowing Base Parties, less the amount, if any, of the Dilution Reserve applicable to such Accounts, provided, however, that the ~~sum of (x) the amount set forth in this clause (c), plus (y) the amount shall not exceed 20% of the Borrowing Base attributable to Eligible Accounts owing by Account Debtors formed, organized, or maintaining their chief executive offices in a Specified Account Debtor Country pursuant to clauses (g)(i) and (g)(ii) of the definition of “Eligible Billed Accounts,” shall not exceed~~ (such limitation to be reduced, automatically and without notice to any Person, by 2% on the last day of each month commencing on September 30, 2026, and continuing through and including January 31, 2027, when such limit shall be reduced to 10% of the Borrowing Base), plus

(d) the lesser of:

(i) the lesser of (A) the product of 60% multiplied by the value (calculated at the lower of cost or market on a basis consistent with OIS’s historical accounting practices) of Eligible Raw Materials Inventory and Eligible Finished Goods Inventory of the Borrowing Base Parties at such time, and (B) the product of 85%

multiplied by the Net Recovery Percentage identified in the most recent Acceptable Appraisal of Inventory, multiplied by the value (calculated at the lower of cost or market on a basis consistent with OIS's historical accounting practices) of Eligible Raw Materials Inventory and Eligible Finished Goods Inventory of the Borrowing Base Parties (such determination may be made as to different categories of Eligible Raw Materials Inventory and Eligible Finished Goods Inventory based upon the Net Recovery Percentage applicable to such categories) at such time, and

(ii) the amount equal to 30% of the ~~Borrowing Base~~ Maximum Revolver Amount, minus

(e) the aggregate amount of Reserves, if any, established by Agent from time to time under Section 2.1(d) of this Agreement;

provided, that the aggregate amount calculated pursuant to the foregoing clauses (a), (b), and (c) attributable to Eligible Accounts owing by Account Debtors formed, organized, or maintaining their chief executive offices in a Specified Account Debtor Country pursuant to clauses (g)(i) and (g)(ii) of the definition of "Eligible Billed Accounts," shall not exceed 20% of the Maximum Revolver Amount (such limitation to be reduced, automatically and without notice to any Person, by 2% on the last day of each month commencing on September 30, 2026, and continuing through and including January 31, 2027, when such limit shall be reduced to 10% of the Maximum Revolver Amount).

"Borrowing Base Certificate" means a certificate substantially in the form of Exhibit B-1 to this Agreement, which such form of Borrowing Base Certificate may be amended, restated, supplemented or otherwise modified from time to time (including without limitation changes to the format thereof), as approved by Agent in Agent's sole discretion.

"Borrowing Base Parties" means (a) the Borrowers and (b) each of the Guarantors whose assets are to be included in the calculation of the Borrowing Base (as determined by the Agent on the Closing Date (with respect to those Guarantors existing as of the Closing Date) and as otherwise contemplated in Section 5.11 (with respect to Persons which become a Guarantor after the Closing Date)).

"Business Day" means any day that is not a Saturday, Sunday or other day on which the Federal Reserve Bank of New York is closed.

"Capital Expenditures" means, with respect to any Person for any period, the amount of all expenditures by such Person and its Subsidiaries during such period that are capital expenditures as determined on a consolidated basis in accordance with GAAP, whether such expenditures are paid in cash or financed, but excluding, without duplication (a) with respect to the purchase price of assets that are purchased substantially contemporaneously with the trade-in of existing assets during such period, the amount that the gross amount of such purchase price is reduced by the credit granted by the seller of such assets for the assets being traded in at such time, and (b) expenditures made during such period to consummate one or more Permitted Acquisitions and other Investments permitted hereunder.

“Capital Lease” means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

“Capitalized Lease Obligation” means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP.

“Cash Dominion Event” has the meaning set forth in the Guaranty and Security Agreement.

“Cash Dominion Period” has the meaning set forth in the Guaranty and Security Agreement.

“Cash Equivalents” means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either Standard & Poor’s Rating Group (“S&P”) or Moody’s Investors Service, Inc. (“Moody’s”), (c) commercial paper maturing no more than 270 days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody’s, (d) certificates of deposit, time deposits, overnight bank deposits or bankers’ acceptances maturing within one year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than \$500,000,000, (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than \$1,000,000,000, having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, and (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above.

“Cash Management Services” means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements.

“CFC” means a controlled foreign corporation (as that term is defined in the IRC) in which any Loan Party is a “United States shareholder” within the meaning of Section 951(b) of the IRC.

“Change in Law” means the occurrence after the date of this Agreement of: (a) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation, judicial ruling, judgment or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, regulation, guideline or treaty, (c) any new, or adjustment to, requirements prescribed by the Board of Governors for “Eurocurrency Liabilities” (as defined in Regulation D of the Board of Governors), requirements imposed by the Federal Deposit Insurance Corporation, or similar requirements imposed by any domestic or foreign governmental authority or resulting from compliance by Agent or any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority and related in any manner to SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR, or Term SOFR, or (d) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided, that notwithstanding anything in this Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith, and (ii) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall, in each case, be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“Change of Control” shall mean the occurrence or existence of any one or more of (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof) of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of OIS and (b) any “Change of Control,” or similar term, phrase, or concept as defined in any Material Indebtedness Documentation.

“Closing Date” means the date of the making of the initial Revolving Loan (or other extension of credit) under this Agreement.

“Code” means the New York Uniform Commercial Code, as in effect from time to time.

“Collateral” means all assets and interests in or rights to assets and proceeds thereof now owned or hereafter acquired by any Loan Party or its Subsidiaries in or upon which a Lien is granted by such Person in favor of Agent or the Lenders under any of the Loan Documents. In no event shall Collateral include any interest in or to any Real Property.

“Collateral Access Agreement” means a landlord waiver, bailee letter, or acknowledgement agreement of any lessor, warehouseman, processor, consignee, or other Person in possession of, having a Lien upon, or having rights or interests in any Loan Party’s or its

Subsidiaries' books and records, Equipment, or Inventory, in each case, in form and substance reasonably satisfactory to Agent.

“Commitment” means, with respect to each Lender, its Revolver Commitment and, with respect to all Lenders, their Revolver Commitments, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule C-1 to this Agreement or in the Assignment and Acceptance pursuant to which such Lender became a Lender under this Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1 of this Agreement.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Compliance Certificate” means a certificate substantially in the form of Exhibit C-1 to this Agreement delivered by a Financial Officer of Administrative Borrower to Agent.

“Confidential Information” has the meaning specified therefor in Section 17.9(a) of this Agreement.

“Conforming Changes” means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.12(b)(ii) and other technical, administrative or operational matters) that Agent decides in consultation with the Administrative Borrower may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Agent in a manner substantially consistent with market practice (or, if Agent decides that adoption of any portion of such market practice is not administratively feasible or if Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as Agent decides in consultation with the Administrative Borrower is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consolidated Cash Balance” means, at any time, (a) the aggregate amount of cash and Cash Equivalents, marketable securities, treasury bonds and bills, certificates of deposit, investments in money market funds and commercial paper, in each case, held or owned by, credited to the account of or would otherwise be required to be reflected as an asset on the balance sheet of OIS and its Domestic Subsidiaries less (b) the sum of (i) any restricted cash or Cash Equivalents to pay royalty obligations, working interest obligations, suspense payments, severance taxes, payroll, payroll taxes, other taxes, employee wage and benefit payments and trust and fiduciary obligations or other obligations of OIS or any Domestic Subsidiary to third

parties and for which OIS or such Domestic Subsidiary has issued checks or has initiated wires or ACH transfers (or, in the discretion of OIS, will issue checks or initiate wires or ACH transfers within five (5) business days) in order to pay, (ii) other amounts for which OIS or such Domestic Subsidiary has issued checks or has initiated wires or ACH transfers but have not yet been subtracted from the balance in the relevant account of OIS or such Domestic Subsidiary, and (iii) while and to the extent refundable, any cash or Cash Equivalents of OIS or any Domestic Subsidiaries constituting purchase price deposits held in escrow pursuant to a binding and enforceable purchase and sale agreement with a third party containing customary provisions regarding the payment and refunding of such deposits, and (iv) Pass-Through Proceeds; provided, that any particular Pass-Through Proceeds shall be deducted from the calculation of Consolidated Cash Balance only for the first five Business Days after such Pass-Through Proceeds were first received by a Domestic Subsidiary or OIS (determined on a first-in-first-out basis) and, upon expiration of such five Business Day period, such Pass-Through Proceeds shall thereafter be included (to the extent remaining extant) in the calculation of Consolidated Cash Balance, automatically and without notice to any Person.

“Consolidated EBITDA” shall mean for any period, EBITDA of OIS and its Subsidiaries for such period, all determined on a consolidated basis.

“Consolidated Interest Expense” shall mean, for OIS and its Subsidiaries for any period, the sum of (a) the interest expense (including imputed interest expense in respect of Capitalized Lease Obligations but excluding the amortization of debt discount and debt issuance costs) for such period, determined on a consolidated basis in accordance with GAAP, plus (b) any interest accrued during such period in respect of Indebtedness of such person that is required to be capitalized rather than included in consolidated interest expense for such period in accordance with GAAP. For purposes of the foregoing, interest expense shall be determined after giving effect to any net payments made or received by such person with respect to interest rate Hedge Agreements.

“Consolidated Net Income” shall mean, for any person for any period, the net income or loss of such person for such period determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income of any Subsidiary of such person to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, statute, rule or governmental regulation applicable to such Subsidiary, (b) the income of any person in which any other person (other than such person or a wholly owned Subsidiary thereof or any director holding qualifying shares in accordance with applicable law) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to such person or a wholly owned Subsidiary thereof by such person during such period, and (c) any gains or losses attributable to sales of assets outside of the ordinary course of business.

“Control Agreement” means a control agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by a Loan Party or one of its

Subsidiaries, Agent, and the applicable securities intermediary (with respect to a Securities Account) or bank (with respect to a Deposit Account) or its equivalent in any jurisdiction.

“Controlled Account” has the meaning specified therefor in the Guaranty and Security Agreement.

“Copyright Security Agreement” has the meaning specified therefor in the applicable Guaranty and Security Agreement.

“Covenant Testing Period” means a period (a) commencing on the last day of the fiscal month of OIS most recently ended prior to a Covenant Trigger Event for which Borrowers are required to deliver to Agent monthly or annual financial statements pursuant to Schedule 5.1 to this Agreement and (b) continuing through and including the first day after such Covenant Trigger Event that Availability has, for 30 consecutive days, equaled or exceeded the greater of (i) 15% of the Line Cap and (ii) ~~\$14,062,500~~ \$11,250,000.

“Covenant Trigger Event” means if at any time Availability is less than the greater of (i) 15% of the Line Cap, and (ii) ~~\$14,062,500~~ \$11,250,000.

“Covered Entity” means any of the following:

- (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning specified therefor in Section 17.15 of this Agreement.

“Default” means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies Agent and Administrative Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable Default or Event of Default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Agent, any Issuing Bank, or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days

of the date when due, (b) has notified any Borrower, Agent or any Issuing Bank in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable Default or Event of Default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by Agent or Administrative Borrower, to confirm in writing to Agent and Administrative Borrower that it will comply with its prospective funding obligations hereunder (provided, that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Agent and Administrative Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of any Insolvency Proceeding, (ii) had appointed for it a receiver, receiver-manager, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) become the subject of a Bail-In Action; provided, that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender upon delivery of written notice of such determination to Administrative Borrower, each Issuing Bank, and each Lender.

"Defaulting Lender Rate" means (a) for the first three days from and after the date the relevant payment is due, the Base Rate, and (b) thereafter, the interest rate then applicable to Revolving Loans that are Base Rate Loans (inclusive of the Base Rate Margin applicable thereto).

"Deposit Account" means any deposit account (as that term is defined in the Code), and includes any bank account other than a Securities Account or a commodities account.

"Designated Account" means the Deposit Account of any Borrower identified on Schedule D-1 to the Agreement located at Wells Fargo.

"Dilution" means, as of any date of determination, a percentage, based upon the experience of the immediately prior twelve months, that is the result of dividing the Dollar amount of (a) bad debt write-downs, discounts, advertising allowances, credits, or other dilutive items with respect to Borrowers' applicable Accounts during such period, by (b) Borrowers' billings with respect to applicable Accounts during such period.

“Dilution Reserve” means, as of any date of determination, an amount sufficient to reduce the advance rate against the applicable Eligible Accounts by the extent to which Dilution is in excess of 5%.

“Disqualified Equity Interests” means any Equity Interests that, by their terms (or by the terms of any security or other Equity Interests into which they are convertible or for which they are exchangeable), or upon the happening of any event or condition (a) matures or are mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), (b) are redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provide for the scheduled payments of dividends in cash, or (d) are or become convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 180 days after the Maturity Date.

“Dollar Equivalent” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a currency other than Dollars, the equivalent amount thereof in Dollars as determined by Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date or such other date determined by Agent) for the purchase of Dollars with such other currency.

“Dollars” or “\$” means United States dollars.

“Domestic Subsidiary” means any Subsidiary of any Loan Party that is not a Foreign Subsidiary.

“Drawing Document” means any Letter of Credit or other document presented for purposes of drawing under any Letter of Credit, including by electronic transmission such as SWIFT, electronic mail, facsimile or computer generated communication.

“Earn-Outs” means unsecured liabilities of a Loan Party arising under an agreement to make any deferred payment as a part of the Purchase Price for a Permitted Acquisition, including performance bonuses or consulting payments in any related services, employment or similar agreement, in an amount that is subject to or contingent upon the revenues, income, cash flow or profits (or the like) of the target of such Permitted Acquisition.

“EBITDA” shall mean, for any person for any period, (a) Consolidated Net Income of such person for such period; plus (b) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) Consolidated Interest Expense for such period, (ii) consolidated income tax expense for such period, (iii) all amounts attributable to depreciation and amortization for such period, (iv) any noncash charges (including share-based compensation) or extraordinary losses for such period, (v) any charge or write-off related to unamortized debt issuance costs, (vi) loss on extinguishment of Indebtedness, and (vii) non-

recurring transaction costs associated with any Permitted Acquisition in an aggregate amount not to exceed (A) \$5,000,000 for any such Acquisition or (B) \$10,000,000 for any trailing twelve month period; minus (c) without duplication (i) all cash payments made during such period on account of reserves, restructuring charges and other noncash charges added to Consolidated Net Income pursuant to clause (b)(iv) above in a previous period and (ii) to the extent included in determining such Consolidated Net Income, any extraordinary gains and all noncash items of income for such period, all determined for such person on a consolidated basis in accordance with GAAP.

In addition, notwithstanding the above, EBITDA for each month ended as of each date set forth below shall be deemed to be the amount set forth below for such month:

| <b>Month</b>       | <b>EBITDA</b> |
|--------------------|---------------|
| January 31, 2020   | \$1,933,000   |
| February 29, 2020  | \$8,731,000   |
| March 31, 2020     | \$10,467,000  |
| April 30, 2020     | -\$4,709,000  |
| May 31, 2020       | \$1,828,000   |
| June 30, 2020      | \$4,030,000   |
| July 31, 2020      | -\$2,229,000  |
| August 31, 2020    | \$4,032,000   |
| September 30, 2020 | -\$1,443,000  |
| October 31, 2020   | \$1,386,000   |
| November 30, 2020  | -\$1,015,000  |
| December 31, 2020  | \$422,000     |

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Accounts” means Eligible Billed Accounts, Eligible Unbilled Accounts and Eligible Progress Billings.

“Eligible Billed Accounts” means those Accounts created by a Borrowing Base Party in the ordinary course of its business, that arise out of such Borrowing Base Party’s sale of goods or rendition of services, that comply with each of the representations and warranties respecting Eligible Accounts made in the Loan Documents, and that are not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, that such criteria may be revised from time to time by Agent in Agent’s Permitted Discretion to address the results of any information with respect to the Borrowing Base Parties’ business or assets of which Agent becomes aware after the Closing Date, including any field examination performed by (or on behalf of) Agent from time to time after the Closing Date. In determining the amount to be included, Eligible Billed Accounts shall be calculated net of customer deposits, unapplied cash, taxes, finance charges, service charges, discounts, credits, allowances, and rebates. Eligible Billed Accounts shall not include the following:

(a) Accounts that the Account Debtor has failed to pay within (i) 90 days of original invoice date or (ii) 60 days of due date; provided, that the foregoing clause (a)(i) shall not exclude an aggregate amount not to exceed \$5,000,000 of Accounts which are between 91 and 120 days of original invoice,

(b) Accounts owed by an Account Debtor (or its Affiliates) where 50% or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) above,

(c) [Reserved],

(d) Accounts with respect to which the Account Debtor is an Affiliate of any Borrowing Base Party or an employee or agent of any Borrowing Base Party or any Affiliate of any Borrowing Base Party,

(e) Accounts (i) arising in a transaction wherein goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, a bill and hold (except to the extent expressly set forth in clause (n)), or any other terms by reason of which the payment by the Account Debtor may be conditional, or (ii) with respect to which the payment terms are “C.O.D.”, cash on delivery or other similar terms,

(f) Accounts that are not payable in Dollars,

(g) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States, Canada, Norway, the Netherlands, Australia, Singapore, France, Germany, New Zealand, Malaysia, Mexico, the British Virgin Islands, Denmark, Israel, or the United Kingdom (or, solely with respect to the Specified Account Debtors, in any Supplemental Account Debtor Country), or (ii) is not organized under the laws of the United States, Canada, Norway, the Netherlands, Australia, Singapore, France, Germany, New Zealand, Malaysia, Mexico, the British Virgin Islands, Denmark, Israel, or the United Kingdom (or, solely with respect to the Specified Account Debtors, in any Supplemental Account Debtor Country), or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless (A) the Account is supported by an irrevocable letter of credit reasonably satisfactory to Agent (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Agent and, if requested by Agent, is directly drawable by Agent, or (B) the Account is covered by credit insurance in form, substance, and amount, and by an insurer, reasonably satisfactory to Agent,

(h) Accounts with respect to which the Account Debtor is either (i) the United States or any department, agency, or instrumentality of the United States (exclusive, however, of Accounts with respect to which the applicable Borrowing Base Party has complied, to the reasonable satisfaction of Agent, with the Assignment of Claims Act, 31 USC §3727) or (ii) any state of the United States or any other Governmental Authority unless the Account is supported by an irrevocable letter of credit reasonably satisfactory to Agent (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Agent and, if requested by Agent, is directly drawable by Agent; provided, that solely for purposes of this clause (h), “Governmental Authority” shall not include (y) Korea National Oil Corporation, China National Offshore Oil Corporation, Petróleo Brasileiro S.A., Saudi Aramco, China Petroleum & Chemical Corporation (Sinopec), China National Petroleum Corporation, Kuwait Petroleum Corporation, Petróleos Mexicanos (Pemex), Petroliam Nasional Berhad (Petronas), Abu Dhabi National Oil Company (ADNOC), State Oil Company of Azerbaijan Republic (SOCAR), Oil and Natural Gas Corporation (ONGC), Vietnam Oil and Gas Group (Petrovietnam), Royal Dutch Shell, Total SE, Eni S.p.A, Equinor, Qatargas, Group Sonangol, or (z) and in each case, any Subsidiaries thereof,

(i) Accounts with respect to which the Account Debtor is a creditor of a Borrowing Base Party (or any Affiliate of a Borrowing Base Party), has or has asserted a right of recoupment or setoff, or has disputed its obligation to pay all or any portion of the Account, to the extent of such claim, right of recoupment or setoff, or dispute,

(j) Accounts with respect to an Account Debtor whose Eligible Accounts owing to the Borrowing Base Parties exceed 15% (or, with respect to Accounts owing by a Specified Account Debtor, 20%) of all Eligible Accounts, to the extent of the obligations owing by such Account Debtor in excess of such percentage; provided, that in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing percentage shall be determined by Agent based on all of the otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(k) Accounts with respect to which the Account Debtor is subject to an Insolvency Proceeding, is not Solvent, has gone out of business, or as to which any Borrowing Base Party or any other Loan Party has received notice of an imminent Insolvency Proceeding or a material impairment of the financial condition of such Account Debtor,

(l) Accounts, the collection of which, Agent, in its Permitted Discretion, believes to be doubtful, including by reason of the Account Debtor's financial condition,

(m) Accounts that are not subject to a valid and perfected first priority Agent's Lien,

(n) Accounts with respect to which (i) the goods giving rise to such Account have not been shipped and billed to the Account Debtor, or (ii) the services giving rise to such Account have not been performed and billed to the Account Debtor; provided, that solely with respect to any Account owing by General Dynamics, no Account shall be deemed ineligible solely because the goods giving rise to such Account have not yet been shipped, so long as (A) such Account represents a final sale to General Dynamics in accordance with the terms of the applicable purchase documents and contracts between a Loan Party and General Dynamics, (B) the aggregate amount of all such Accounts does not exceed \$2,500,000 (and, if such amount does exceed \$2,500,000, then only that portion of the amount in excess of \$2,500,000 shall be deemed ineligible), (C) no more than 30 days have elapsed since the date on which such Account was billed to General Dynamics, (D) the goods giving rise to such Account have not been, in whole or in part, returned, rejected, or been determined to be non-conforming goods, and (E) no portion of such Account has been disputed by or on behalf of General Dynamics,

(o) Accounts with respect to which the Account Debtor is a Sanctioned Person or Sanctioned Entity,

(p) Accounts (i) that represent the right to receive progress payments or other advance billings that are due prior to the completion of performance by the applicable Borrower of the subject contract for goods or services, or (ii) that represent credit card sales,

(q) Accounts not governed by the laws of a state, province, or territory of the United States or Canada,

(r) Accounts owned by a target acquired in connection with a Permitted Acquisition or Permitted Investment, or Accounts owned by a Person that is joined to this Agreement as a Borrower pursuant to the provisions of this Agreement, until the completion of a field examination with respect to such Accounts, in each case, satisfactory to Agent in its Permitted Discretion.

"Eligible Finished Goods Inventory" means Inventory that qualifies as Eligible Inventory and consists of first quality finished goods held for sale in the Ordinary Course of Business.

“Eligible Inventory” means Inventory of a Borrowing Base Party, that complies with each of the representations and warranties respecting Eligible Inventory made in the Loan Documents, and that is not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, that such criteria may be revised from time to time by Agent in Agent’s Permitted Discretion to address the results of any information with respect to the Borrowing Base Parties’ business or assets of which Agent becomes aware after the Closing Date, including any field examination or appraisal performed or received by Agent from time to time after the Closing Date. In determining the amount to be so included, Inventory shall be valued at the lower of cost or market on a basis consistent with the Borrowing Base Parties historical accounting practices. An item of Inventory shall not be included in Eligible Inventory if:

(a) a Borrowing Base Party does not have good, valid, and marketable title thereto,

(b) a Borrowing Base Party does not have actual and exclusive possession thereof (either directly or through a bailee or agent of a Borrowing Base Party),

(c) it is not located at one of the locations in the continental United States set forth on Schedule 4.25 to this Agreement (or in-transit from one such location to another such location) (as such Schedule 4.25 may be amended from time to time pursuant to the definition of “Permitted Location”),

(d) it is stored at locations holding less than \$100,000 of the aggregate value of such Borrowing Base Party’s Inventory,

(e) it is in-transit to or from a location of the relevant Borrowing Base Party (other than in-transit from one location set forth on Schedule 4.25 to this Agreement to another location in the same country set forth on Schedule 4.25 to this Agreement (as such Schedule 4.25 may be amended from time to time in accordance with the definition of “Permitted Location”)),

(f) it is located on real property leased by a Borrowing Base Party or in a contract warehouse or with a bailee, in each case, unless either (i) it is subject to a Collateral Access Agreement executed by the lessor or warehouseman, as the case may be, and it is segregated or otherwise separately identifiable from goods of others, if any, stored on the premises, or (ii) Agent has established a Landlord Reserve with respect to such location (provided, that, absent the occurrence of an Event of Default, an item of Inventory shall not be excluded from Eligible Inventory solely on account of this clause (f) before the date that is 120 days after the Closing Date (or such later date as Agent shall agree to in writing in its sole discretion)),

(g) it is the subject of a bill of lading or other document of title,

(h) it is not subject to a valid and perfected first priority Agent’s Lien,

(i) it consists of goods returned or rejected by a Borrowing Base Party's customers,

(j) it consists of goods that are obsolete, slow moving, spoiled or are otherwise past the stated expiration, "sell-by" or "use by" date applicable thereto, restrictive or custom items or otherwise is manufactured in accordance with customer-specific requirements, work-in-process or goods that constitute spare parts, packaging and shipping materials, supplies used or consumed in the Borrowing Base Parties' business, bill and hold goods, defective goods, "seconds," or Inventory acquired on consignment,

(k) it is subject to third party intellectual property, licensing or other proprietary rights, unless Agent is satisfied that such Inventory can be freely sold by Agent on and after the occurrence of an Event of Default despite such third party rights,

(l) it was acquired in connection with a Permitted Acquisition or Permitted Investment, or such Inventory is owned by a Person that becomes a Borrowing Base Party after the Closing Date pursuant to the provisions of this Agreement, until the completion of an Acceptable Appraisal of such Inventory and the completion of a field examination with respect to such Inventory that is satisfactory to Agent in its Permitted Discretion.

"Eligible Progress Billings" means, at any time, the Accounts of a Borrowing Base Party which would be Eligible Billed Accounts or Eligible Unbilled Accounts except that such Accounts represent progress or milestone billings, or which are otherwise conditioned upon the applicable Borrowing Base Party's completion of any further performance or service, so long as such Accounts, when billed, are billed in accordance with the applicable billing procedures, performance thresholds and other provisions of an executed contract or other documentation satisfactory to Agent in its Permitted Discretion with the applicable Account Debtor.

"Eligible Raw Materials Inventory." means Inventory that qualifies as Eligible Inventory and consists of goods that are first quality raw materials.

"Eligible Transferee" means (a) any Lender (other than a Defaulting Lender), any Affiliate of any Lender and any Related Fund of any Lender (but excluding Excluded Affiliates); (b) (i) a commercial bank organized under the laws of the United States or any state thereof, and having total assets in excess of \$1,000,000,000; (ii) a savings and loan association or savings bank organized under the laws of the United States or any state thereof, and having total assets in excess of \$1,000,000,000; (iii) a commercial bank organized under the laws of any other country or a political subdivision thereof; provided, that (A) (x) such bank is acting through a branch or agency located in the United States, or (y) such bank is organized under the laws of a country that is a member of the Organization for Economic Cooperation and Development or a political subdivision of such country, and (B) such bank has total assets in excess of \$1,000,000,000; (c) any other entity (other than a natural person) that is an "accredited investor" (as defined in Regulation D under the Securities Act) that extends credit or buys loans as one of its businesses including insurance companies, investment or mutual funds and lease financing companies, and having total assets in excess of \$1,000,000,000; and (d) during the continuation of an Event of Default, any other Person approved by Agent.

“Eligible Unbilled Accounts” means, at any time, the Accounts of a Borrowing Base Party which would be Eligible Accounts except that such Accounts are for goods which have been shipped or services which have been rendered (but in either case have not yet been billed) to an Account Debtor, so long as the period following the date of shipment of such goods or the rendering of such services and prior to the date of the issuance of the bill for such goods or services is less than 60 days.

“Employee Benefit Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA (a) that is or within the preceding six years has been sponsored, maintained, or contributed to by any Loan Party or ERISA Affiliate or (b) to which any Loan Party or ERISA Affiliate has, or has had at any time with in the preceding six years, any liability, contingent or otherwise.

“EMU Legislation” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Environmental Action” means any written complaint, summons, notice of violation, citation, investigation, directive, order, claim, litigation, judicial or administrative proceeding, judgment, or similar written communication from any Governmental Authority, or any third party alleging or involving potential violations of Environmental Laws, or Remedial Actions involving a Loan Party or its Subsidiaries, or releases of, exposure to or contamination from Hazardous Materials (a) from any assets, properties, businesses or actions of any Borrower, any Subsidiary of any Borrower, or any of their predecessors in interest, or (b) from or onto any facilities which received Hazardous Materials generated by any Borrower, any Subsidiary of any Borrower, or any of their predecessors in interest.

“Environmental Law” means any applicable federal, state, provincial, foreign or local statute, law, rule, regulation, permit, ordinance, code, or rule of common law now or hereafter in effect and in each case as amended, or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, in each case, to the extent binding on any Loan Party or its Subsidiaries, relating to the protection of the environment or, to the extent relating to exposure to Hazardous Materials, of human health and safety.

“Environmental Liabilities” means all liabilities, monetary obligations, losses, damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any Environmental Action or Remedial Action involving a Loan Party or its Subsidiaries.

“Environmental Lien” means any Lien in favor of any Governmental Authority for Environmental Liabilities.

“Equipment” means equipment (as that term is defined in the Code).

“Equity Interests” means, with respect to a Person, all of the shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person, whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto.

“ERISA Affiliate” means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which any Loan Party or any of its Subsidiaries is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any Person subject to ERISA that is a party to an arrangement with any Loan Party or any of its Subsidiaries and whose employees are aggregated with the employees of such Loan Party or its Subsidiaries under IRC Section 414(o).

“Erroneous Payment” has the meaning specified therefor in Section 17.18 of this Agreement.

“Erroneous Payment Deficiency Assignment” has the meaning specified therefor in Section 17.18 of this Agreement.

“Erroneous Payment Impacted Loans” has the meaning specified therefor in Section 17.18 of this Agreement.

“Erroneous Payment Return Deficiency” has the meaning specified therefor in Section 17.18 of this Agreement.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Euro” or “€” means the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

“Event of Default” has the meaning specified therefor in Section 8 of this Agreement.

“Exchange Act” means the Securities Exchange Act of 1934, as in effect from time to time.

“Excluded Affiliate” means any Affiliate of any member of the Lender Group that is engaged as a principal primarily in private equity, mezzanine financing, or venture capital, in each case, that have been specified to the Agent by OIS in writing on or before the Closing Date.

“Excluded Equity Accounting” means a written accounting of each issuance of Qualified Equity Interests, the proceeds of which are intended to constitute Excluded Equity Proceeds, which accounting shall (a) be in form and substance reasonably satisfactory to Agent and (b) contain (i) the date on which the proceeds of such issuance were initially received by OIS and the amount thereof; (ii) the number of days which have elapsed since the date the proceeds of such issuance were initially received by OIS; (iii) if applicable, the date on which, and the reason for which, any such proceeds ceased to constitute Excluded Equity Proceeds; and (iv) if applicable the date on which such proceeds were utilized and the use to which such proceeds were put.

“Excluded Equity Proceeds” means the net cash proceeds from the sale or issuance of Qualified Equity Interests; provided, however, that any such proceeds shall cease (automatically and without notice to any Person) to constitute Excluded Equity Proceeds (a) if OIS does not provide an Excluded Equity Accounting with respect to such proceeds (with such Excluded Equity Accounting being prepared as of the day on which such proceeds were initially received by OIS) within five Business Days after such proceeds are first received by OIS, (b) on the date which is 30 days after the date such proceeds were first received by OIS (with all such proceeds being accounted for on a first-in-first-out basis), (c) with respect to all such proceeds which are extant at such time, upon the occurrence of a Cash Dominion Event, and (d) with respect to all such proceeds which are extant at such time, upon the occurrence of Revolver Usage exceeding \$25,000,000.

“Excluded Subsidiary” means (a) Immaterial Subsidiaries, (b) any Subsidiary of a Loan Party to the extent that the burden or cost (including any potential tax liability) of obtaining a guarantee outweighs the benefit afforded thereby as reasonably determined by Borrowers and Agent, (c) any FSHCO, (d) any Domestic Subsidiary that is a direct or indirect subsidiary of a CFC, and (e) any Foreign Subsidiary of a Loan Party.

“Excluded Swap Obligation” means, with respect to any Loan Party, any Swap Obligation if, and to the extent that, all or a portion of the guaranty of such Loan Party of (including by virtue of the joint and several liability provisions of Section 2.15), or the grant by such Loan Party of a security interest to secure, such Swap Obligation (or any guaranty thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the guaranty of such Loan Party or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guaranty or security interest is or becomes illegal.

“Excluded Taxes” means (i) any Tax imposed on the net income or net profits (however denominated) of any Lender or any Participant (including any branch profits taxes), in each case imposed by the jurisdiction (or by any political subdivision or taxing authority thereof) in which such Lender or such Participant is organized or the jurisdiction (or by any political subdivision or taxing authority thereof) in which such Lender’s or such Participant’s principal office is located in or as a result of a present or former connection between such Lender or such Participant and the jurisdiction or taxing authority imposing the tax (other than any such connection arising solely from such Lender or such Participant having executed, delivered or performed its obligations or received payment under, or enforced its rights or remedies under this Agreement or any other Loan Document), (ii) United States withholding taxes that would not have been imposed but for a Lender’s or a Participant’s failure to comply with the requirements of Section 16.2 of this Agreement, (iii) any United States federal withholding taxes that would be imposed on amounts payable to a Foreign Lender based upon the applicable withholding rate in effect at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office, other than a designation made at the request of a Loan Party), except that Excluded Taxes shall not include (A) any amount that such Foreign Lender (or its assignor, if any) was previously entitled to receive pursuant to Section 16.1 of this Agreement, if any, with respect to such withholding tax at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office), and (B) additional United States federal withholding taxes that may be imposed after the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office), as a result of a change in law, rule, regulation, treaty, order or other decision or other Change in Law with respect to any of the foregoing by any Governmental Authority, and (iv) Taxes imposed under FATCA.

“Existing Credit Facility” means that certain Amended and Restated Credit Agreement, dated as of January 30, 2018, among OIS, as the Borrower, the lenders from time to time party hereto, and as administrative agent, the swing line lender and an issuing bank.

“Existing Letters of Credit” means those letters of credit described on Schedule E-1 to this Agreement.

“Extraordinary Advances” has the meaning specified therefor in Section 2.3(d)(iii) of this Agreement.

“FATCA” means Sections 1471 through 1474 of the IRC, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), and (a) any current or future regulations or official interpretations thereof, (b) any agreements entered into pursuant to Section 1471(b)(1) of the IRC, and (c) any intergovernmental agreement entered into by the United States (or any fiscal or regulatory legislation, rules, or practices adopted pursuant to any such intergovernmental agreement entered into in connection therewith).

“FCPA” means the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal to, for each day during such period, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by Agent from three Federal funds brokers of recognized standing selected by it (and, if any such rate is below zero, then the rate determined pursuant to this definition shall be deemed to be zero).

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“Fee Letter” means that certain [second](#) amended and restated fee letter, dated as of the ~~Third~~ [Fifth](#) Amendment Effective Date, among Borrowers and Agent, in form and substance reasonably satisfactory to Agent.

“Fifth Amendment Effective Date” means [July 28, 2025](#).

“Financial Officer” of any Loan Party shall mean the chief financial officer, principal accounting officer, treasurer, or controller of such Loan Party.

“First Amendment Effective Date” means March 16, 2021.

“Fixed Charge Coverage Ratio” means, with respect to any fiscal period and with respect to OIS and its Subsidiaries determined on a consolidated basis in accordance with GAAP, the ratio of (a) Consolidated EBITDA for such period *minus* Unfinanced Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, to (b) Fixed Charges for such period.

“Fixed Charges” means, with respect to any fiscal period and with respect to OIS and its Subsidiaries determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Consolidated Interest Expense required to be paid (other than interest paid-in-kind, amortization of financing fees, and other non-cash Consolidated Interest Expense) during such period, (b) scheduled principal payments in respect of Indebtedness that are required to be paid during such period (excluding (i) principal payments made at maturity with the proceeds of Refinancing Indebtedness incurred in accordance with the terms of this Agreement and (ii) principal payments made on the Seller Note), (c) all federal, state, provincial and local income taxes required to be paid in cash during such period, less any refunds received during such period, and (d) the amount of all Earn-Outs then due and payable or, if not then due and payable, the fair value of all such Earn-Outs; provided, however, if the Fixed Charges for any period of determination are below zero, then the Fixed Charges shall be deemed to be zero for such period of determination.

In addition, notwithstanding the above, Fixed Charges for each month ended as of each date set forth below shall be deemed to be the amount set forth below for such month:

| <b>Month</b>       | <b>Fixed Charges</b> |
|--------------------|----------------------|
| January 31, 2020   | \$1,078,000          |
| February 29, 2020  | \$1,875,000          |
| March 31, 2020     | \$2,067,000          |
| April 30, 2020     | \$345,000            |
| May 31, 2020       | \$373,000            |
| June 30, 2020      | \$808,000            |
| July 31, 2020      | -\$40,443,000        |
| August 31, 2020    | \$1,814,000          |
| September 30, 2020 | \$666,000            |
| October 31, 2020   | \$219,000            |
| November 30, 2020  | \$213,000            |
| December 31, 2020  | \$923,000            |

“Floor” means a rate of interest equal to 0%.

“Flow of Funds Agreement” means a flow of funds agreement, dated as of even date with this Agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by Borrowers and Agent.

“Foreclosed Borrower” has the meaning specified therefor in 2.15(h) of this Agreement.

“Foreign Lender” means any Lender or Participant that is not a United States person within the meaning of IRC section 7701(a)(30).

“Foreign Subsidiary” means any direct or indirect subsidiary of any Loan Party that is organized under the laws of any jurisdiction other than the United States, any state thereof or the District of Columbia.

“FSHCO” shall mean any direct or indirect Domestic Subsidiary that has no material assets other than Equity Interests of one or more direct or indirect Foreign Subsidiaries that are CFCs (including any debt instrument issued by any such CFC which is treated as equity for U.S. federal income tax purposes).

“Funded Indebtedness” means, as of any date of determination, all Indebtedness for borrowed money or letters of credit of OIS and its Subsidiaries, determined on a consolidated basis in accordance with GAAP, including, in any event, but without duplication, with respect to the Loan Parties, the Revolver Usage, the 2023 Senior Notes, the 2026 Senior Notes, and the amount of Capitalized Lease Obligations, but excluding the Seller Note.

“Funding Date” means the date on which a Borrowing occurs.

“Funding Losses” has the meaning specified therefor in Section 2.12(b)(ii) of this Agreement.

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States, consistently applied.

“General Dynamics” means General Dynamics Corporation and its Subsidiaries.

“Governing Documents” means, with respect to any Person, the certificate or articles of incorporation, by-laws, or other organizational documents of such Person.

“Governmental Authority” means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, county, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantor” means (a) each Person that guaranties all or a portion of the Obligations, including each Person that is a “Guarantor” under the Guaranty and Security Agreement and (b) each other Person that becomes a guarantor after the Closing Date pursuant to Section 5.11 of this Agreement.

“Guaranty and Security Agreement” means a guaranty and security agreement, dated as of even date with this Agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by each of the Loan Parties to Agent.

“Hazardous Materials” means (a) any petroleum products or byproducts and all other hydrocarbons (including any materials or wastes generated by the exploration, development, production and transportation any petroleum, petroleum products or other hydrocarbons), coal ash, radon gas, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, chlorofluorocarbons and all other ozone-depleting substances and (b) any chemical,

material, substance or waste that is prohibited, limited, regulated, or subject to regulation by or under any Environmental Law.

“Hedge Agreement” means a “swap agreement” as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

“Hedge Obligations” means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of each Loan Party and its Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the Hedge Providers.

“Hedge Provider” means any Bank Product Provider that is a party to a Hedge Agreement with a Loan Party or its Subsidiaries or otherwise provides Bank Products under clause (f) of the definition thereof; provided, that if, at any time, a Lender ceases to be a Lender under this Agreement (prior to the payment in full of the Obligations), then, from and after the date on which it ceases to be a Lender thereunder, neither it nor any of its Affiliates shall constitute Hedge Providers and the obligations with respect to Hedge Agreements entered into with such former Lender or any of its Affiliates shall no longer constitute Hedge Obligations.

“Houston Property Seller” means Oil States Industries, Inc., a Delaware corporation.

“Houston Ship Channel Disposition” means the sale by the Houston Property Seller of certain real property with an address of 16730 Jacintoport Blvd., Houston, TX 77015, so long as (a) no Default or Event of Default has occurred and is continuing on the date of the consummation of such sale or would immediately result therefrom, (b) such sale is an arm’s-length transaction and the Houston Property Seller receives at least the fair market value of such real property, (c) the consideration received by the Houston Property Seller consists of at least 50% cash and Cash Equivalents and is paid on the date of the consummation of such sale, and (d) such sale shall have been consummated on or before the date which is 180 days after the Third Amendment Effective Date (or such later date as may be agreed by Agent in writing in its discretion).

“Immaterial Subsidiary” means each Subsidiary of a Borrower that is not a Material Subsidiary.

“Increase” has the meaning specified therefor in Section 2.14.

“Increase Date” has the meaning specified therefor in Section 2.14.

“Increase Joinder” has the meaning specified therefor in Section 2.14.

“Increased Inspection Event” means if Availability is less than the greater of (a) 25% of the Line Cap and (b) ~~\$23,437,500~~\$18,750,000 for five consecutive days.

“Increased Reporting Event” means if at any time Availability is less than the greater of (a) 15% of the Line Cap and (b) ~~\$14,062,500~~\$11,250,000.

“Increased Reporting Period” means the period commencing after the continuance of an Increased Reporting Event for three consecutive days and continuing until the date when no Increased Reporting Event has occurred for 30 consecutive days.

“Indebtedness” as to any Person means (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices and, for the avoidance of doubt, other than royalty payments payable in the ordinary course of business in respect of non-exclusive licenses) and any earn-out or similar obligations, (f) all monetary obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) any Disqualified Equity Interests of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness, and (ii) the amount of any Indebtedness which is limited or is non-recourse to a Person or for which recourse is limited to an identified asset shall be valued at the lesser of (A) if applicable, the limited amount of such obligations, and (B) if applicable, the fair market value of such assets securing such obligation.

“Indemnified Liabilities” has the meaning specified therefor in Section 10.3 of this Agreement.

“Indemnified Person” has the meaning specified therefor in Section 10.3 of this Agreement.

“Indemnified Taxes” means, (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by, or on account of any obligation of, any Loan Party under any Loan Document, and (b) to the extent not otherwise described in the foregoing clause (a), Other Taxes.

“Individual Letter of Credit Sublimit” means, as to any Issuing Bank, amounts with respect to Letters of Credit which may be established by such Issuing Bank upon its becoming an Issuing Bank hereunder; provided, however, that (a) if such Issuing Bank does not establish any such amount, such Issuing Bank shall not have an Individual Letter of Credit Sublimit; (b) such amounts may be increased or decreased from time to time with respect to Letters of Credit in a writing signed by the Administrative Borrower and such Issuing Bank and delivered to the Agent (and, in cases where an Issuing Bank reduces its Individual Letter of

Credit Sublimit to \$0.00 with respect to Letters of Credit, it shall cease to constitute an Issuing Bank); and (c) as of the Closing Date, the Individual Letter of Credit Sublimit for JPMorgan Chase Bank, N.A. shall be \$732,198.69

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other local, provincial, state or federal bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

“Intercompany Subordination Agreement” means an intercompany subordination agreement, dated as of even date with this Agreement, executed and delivered by each Loan Party and each of its Subsidiaries, and Agent, the form and substance of which is reasonably satisfactory to Agent.

“Interest Period” means, with respect to any SOFR Loan, a period commencing on the date of the making of such SOFR Loan (or the continuation of a SOFR Loan or the conversion of a Base Rate Loan to a SOFR Loan) and ending 1, 3 or 6 months thereafter; provided, that (a) interest shall accrue at the applicable rate based upon Adjusted Term SOFR from and including the first day of each Interest Period to, but excluding, the day on which any Interest Period expires, (b) any Interest Period that would end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day, (c) with respect to an Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period), the Interest Period shall end on the last Business Day of the calendar month that is 1, 3 or 6 months after the date on which the Interest Period began, as applicable, (d) Borrowers may not elect an Interest Period which will end after the Maturity Date and (e) no tenor that has been removed from this definition pursuant to Section 2.12(d)(iii)(D), shall be available for specification in any SOFR Notice or conversion or continuation notice.

“Inventory” means inventory (as that term is defined in the Code).

“Inventory Reserves” means, as of any date of determination, (a) Landlord Reserves in respect of Inventory, and (b) those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to Section 2.1(d), to establish and maintain (including reserves for slow moving Inventory and Inventory shrinkage) with respect to Eligible Inventory or the Maximum Revolver Amount, including based on the results of appraisals.

“Investment” means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business, and (b) *bona fide* accounts receivable arising in the ordinary course of business), or acquisitions of Indebtedness, Equity Interests, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a

balance sheet prepared in accordance with GAAP. The amount of any Investment shall be the original cost of such Investment *plus* the cost of all additions thereto, without any adjustment for increases or decreases in value, or write-ups, write-downs, or write-offs with respect to such Investment.

“IRC” means the Internal Revenue Code of 1986, as in effect from time to time.

“ISP” means, with respect to any Letter of Credit, the International Standby Practices 1998 (International Chamber of Commerce Publication No. 590) and any version or revision thereof accepted by any Issuing Bank for use.

“Issuer Document” means, with respect to any Letter of Credit, a letter of credit application, a letter of credit agreement, or any other document, agreement or instrument entered into (or to be entered into) by a Borrower in favor of any Issuing Bank and relating to such Letter of Credit.

“Issuing Bank” means Wells Fargo, JPMorgan Chase Bank, N.A., or any other Lender that, at the request of Borrowers and with the consent of Agent, agrees, in such Lender’s sole discretion, to become an Issuing Bank for the purpose of issuing Letters of Credit pursuant to Section 2.11 of the Agreement and (b) delivers an instrument in form and substance satisfactory to the Borrowers and Agent whereby such other Lender agrees to act as an “Issuing Bank” hereunder and states the amount of such Lender’s Individual Letter of Credit Sublimit.

“Joinder” means a joinder agreement substantially in the form of Exhibit J-1 to this Agreement.

“Joint Book Runners” has the meaning set forth in the preamble to this Agreement.

“Joint Lead Arrangers” has the meaning set forth in the preamble to this Agreement.

“Landlord Reserve” means, as to each location at which a Borrower has Inventory or books and records located and as to which a Collateral Access Agreement has not been received by Agent, a reserve in an amount determined by Agent in its sole discretion and not to exceed 3 months’ rent, storage charges, fees or other amounts under the lease or other applicable agreement relative to such location; provided, however, that absent the occurrence of an Event of Default, no Landlord Reserve shall be established before the date that is 120 days after the Closing Date.

“LC Facility” means a facility solely for the issuance of letters of credit (as that term is defined in the Code) provided by any Lender or Agent or any of their respective Affiliates to the Borrower.

“Lender” has the meaning set forth in the preamble to this Agreement, shall include Swing Lender and each Issuing Bank, and shall also include any other Person made a

party to this Agreement pursuant to the provisions of Section 13.1 of this Agreement and “Lenders” means each of the Lenders or any one or more of them.

“Lender Group” means each of the Lenders (including each Issuing Bank and each Swing Lender) and Agent, or any one or more of them.

“Lender Group Expenses” means all (a) costs or expenses (including taxes and insurance premiums) required to be paid by any Loan Party or its Subsidiaries under any of the Loan Documents that are paid, advanced, or incurred by the Lender Group, (b) documented out-of-pocket fees or charges paid or incurred by Agent in connection with the Lender Group’s transactions with each Loan Party and its Subsidiaries under any of the Loan Documents, including, photocopying, notarization, couriers and messengers, telecommunication, public record searches, filing fees, recording fees, publication, real estate surveys, real estate title policies and endorsements, (c) Agent’s customary fees and charges imposed or incurred in connection with any background checks or OFAC/PEP searches related to any Loan Party or its Subsidiaries, (d) Agent’s customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of any Borrower (whether by wire transfer or otherwise), together with any out-of-pocket costs and expenses incurred in connection therewith, (e) customary charges imposed or incurred by Agent resulting from the dishonor of checks payable by or to any Loan Party, (f) reasonable, documented out-of-pocket costs and expenses paid or incurred by the Lender Group to correct any default or enforce any provision of the Loan Documents, or during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, (g) field examination, appraisal, and valuation fees and expenses of Agent related to any field examinations, appraisals, or valuation to the extent of the fees and charges (and up to the amount of any limitation) provided in Section 5.7(c) of this Agreement, (h) Agent’s and Lenders’ reasonable, documented costs and expenses (including reasonable and documented attorneys’ fees and expenses (limited to the reasonable and documented fees and disbursements of one firm of counsel for Agent and the Lenders, taken as a whole, and, if necessary, one firm of local counsel in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions) for Agent and the Lenders, taken as a whole, plus, in the case of each perceived or actual conflict of interest among such Persons or any of them, the reasonable and documented fees and disbursements of one firm of conflicts counsel (for those of such Persons who are similarly situated in respect of such conflict of interest))) relative to third party claims or any other lawsuit or adverse proceeding paid or incurred, whether in enforcing or defending the Loan Documents or otherwise in connection with the transactions contemplated by the Loan Documents, Agent’s Liens in and to the Collateral, or the Lender Group’s relationship with any Loan Party or any of its Subsidiaries, (i) Agent’s reasonable and documented costs and expenses (including reasonable and documented attorneys’ fees (limited to the reasonable and documented fees and disbursements of one firm of counsel to Agent and, if necessary, one firm of local counsel in each appropriate jurisdiction) and due diligence expenses) incurred in advising, structuring, drafting, reviewing, administering (including travel, meals, and lodging), syndicating (including reasonable costs and expenses relative to CUSIP, DXSyndicate™, SyndTrak or other communication costs incurred in connection with a syndication of the loan facilities), or

amending, waiving, or modifying the Loan Documents, and (j) Agent's and each Lender's reasonable and documented costs and expenses (including reasonable and documented attorneys, accountants, consultants, and other advisors fees and expenses) incurred in terminating, enforcing (including attorneys, accountants, consultants, and other advisors fees and expenses incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning any Loan Party or any of its Subsidiaries or in exercising rights or remedies under the Loan Documents), or defending the Loan Documents, irrespective of whether a lawsuit or other adverse proceeding is brought, or in taking any enforcement action or any Remedial Action required under Environmental Law with respect to the Collateral.

"Lender Group Representatives" has the meaning specified therefor in Section 17.9(a) of this Agreement.

"Lender-Related Person" means, with respect to any Lender, such Lender, together with such Lender's Affiliates, officers, directors, employees, attorneys, and agents.

"Letter of Credit" means a letter of credit (as that term is defined in the Code) issued for the account of any Borrower pursuant to the terms of this Agreement by any Issuing Bank.

"Letter of Credit Collateralization" means either (a) providing cash collateral (in, with respect to any applicable Letter of Credit, the Applicable Currency in which such Letter of Credit is denominated) (pursuant to documentation reasonably satisfactory to Agent (including that Agent has a first priority perfected Lien in such cash collateral), including provisions that specify that the applicable Letter of Credit Fees and all commissions, fees, charges and expenses provided for in this Agreement (including any fronting fees) will continue to accrue while the applicable Letters of Credit are outstanding) to be held by Agent for the benefit of the Revolving Lenders in an amount equal to 105% for Letters of Credit denominated in Dollars and 110% for Letters of Credit denominated in any other currency, of the then existing Letter of Credit Usage, (b) delivering to Agent documentation executed by all beneficiaries under the applicable Letters of Credit, in form and substance reasonably satisfactory to Agent and the applicable Issuing Bank, terminating all of such beneficiaries' rights under the Letters of Credit, or (c) providing Agent with a standby letter of credit (in the Applicable Currency of each applicable Letter of Credit), in form and substance reasonably satisfactory to Agent, from a commercial bank acceptable to Agent (in its sole discretion) in an amount equal to 105% for Letters of Credit denominated in Dollars and 110% for Letters of Credit denominated in a foreign currency of the then existing applicable Letter of Credit Usage (it being understood that the applicable Letter of Credit Fee and all fronting fees set forth in this Agreement will continue to accrue while the applicable Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit).

"Letter of Credit Disbursement" means a payment made by an Issuing Bank pursuant to a Letter of Credit.

"Letter of Credit Exposure" means, as of any date of determination with respect to any Lender, such Lender's Pro Rata Share of the Letter of Credit Usage on such date.

“Letter of Credit Fee” has the meaning specified therefor in Section 2.6(b) of this Agreement.

“Letter of Credit Indemnified Costs” has the meaning specified therefor in Section 2.11(f) of this Agreement.

“Letter of Credit Related Person” has the meaning specified therefor in Section 2.11(f) of this Agreement.

“Letter of Credit Sublimit” means ~~\$50,000,000~~\$25,000,000.

“Letter of Credit Usage” means, as of any date of determination, the Dollar Equivalent of the aggregate undrawn amount of all outstanding Letters of Credit.

“Leverage Ratio” means, as of any date of determination, the ratio of (a) the amount of the Funded Indebtedness of OIS and its Subsidiaries as of such date to (b) Consolidated EBITDA for the Loan Parties for the 12 month period ended as of such date.

“Lien” means any mortgage, standard security, deed of trust, pledge, hypothecation, assignment, assignation in security, charge, hypothec, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

“Line Cap” means, as of any date of determination, the lesser of (a) the Maximum Revolver Amount and (b) the Borrowing Base as of such date of determination.

“Loan” means any Revolving Loan, Swing Loan, or Extraordinary Advance made (or to be made) hereunder.

“Loan Account” has the meaning specified therefor in Section 2.9 of the Agreement.

“Loan Documents” means this Agreement, the Control Agreements, the Copyright Security Agreement, any Borrowing Base Certificate, the Fee Letter, the Guaranty and Security Agreement, the Intercompany Subordination Agreement, any Issuer Documents, the Letters of Credit, the Patent Security Agreements, the Trademark Security Agreements, any note or notes executed by Borrowers in connection with this Agreement and payable to any member of the Lender Group, and any other instrument or agreement entered into, now or in the future, by any Loan Party or any of its Subsidiaries and any member of the Lender Group in connection with this Agreement (but specifically excluding Bank Product Agreements).

“Loan Party” means any Borrower or any Guarantor.

“Margin Stock” as defined in Regulation U of the Board of Governors as in effect from time to time.

“Material Adverse Effect” means (a) a material adverse effect in the business, operations, results of operations, assets, liabilities or financial condition of the Loan Parties and their Subsidiaries, taken as a whole (other than, solely during the period from and including the Closing Date through and including December 31, 2021, resulting from any event, development or circumstance related to the COVID-19 pandemic that was disclosed to the Agent and Lenders in writing, or otherwise publicly disclosed in the filings of OIS with the SEC, in each case, on or before December 31, 2020), (b) a material impairment of the Loan Parties’ and their Subsidiaries’ ability to perform their obligations under the Loan Documents to which they are parties or of the Lender Group’s ability to enforce the Obligations or realize upon the Collateral (other than as a result of an action taken or not taken that is solely in the control of Agent), or (c) a material impairment of the enforceability or priority of Agent’s Liens with respect to all or a material portion of the Collateral.

“Material Indebtedness” means, as of any date of determination, any Indebtedness of OIS or any of its Subsidiaries which has an outstanding principal balance equal to or greater than \$17,500,000 (calculated in the aggregate, in cases where such Indebtedness exists in one or more associated or related tranches and excluding any principal thereof which has been escrowed or cash collateralized in a deposit account established by OIS at Wells Fargo which is subject to a Control Agreement, in each case, to the reasonable satisfaction of the Agent).

“Material Indebtedness Documentation” means any term loan agreement, credit agreement, promissory notes, indenture, or similar agreement governing or evidencing Material Indebtedness.

“Material Subsidiary” means (a) each Borrower, and (b) each Domestic Subsidiary of a Loan Party that (i) owns at least 3.50% of the consolidated total assets of the Loan Parties and their Subsidiaries, (ii) generates at least 3.50% of the consolidated revenues of the Loan Parties and their Subsidiaries, (iii) is the owner of Equity Interests of any Domestic Subsidiary of a Loan Party that otherwise constitutes a Material Subsidiary, or (iv) any group comprising Domestic Subsidiaries of a Loan Party that each would not have been a Material Subsidiary under clauses (i), (ii), or (iii) but that, taken together, had revenues or total assets in excess of 7.00% of the consolidated revenues or total assets, as applicable, of the Loan Parties and their Subsidiaries.

“Maturity Date” means February 16, 2028; provided, however, that the Maturity Date shall be adjusted (automatically and without notice to any Person) to be the 91st day immediately preceding the then stated maturity date of any Material Indebtedness (other than the Seller Note), unless, as of such 91st day, (a) such Indebtedness no longer constitutes Material Indebtedness or (b) such Indebtedness has been refinanced (including by exchange), defeased, or in the reasonable determination of Agent, adequately reserved for (either against the Borrowing Base or the Maximum Revolver Amount) or escrowed or cash collateralized in a deposit account established by OIS at Wells Fargo which is subject to a Control Agreement (so long as, after

giving effect to such escrow, cash collateralization and/or Reserves, no Covenant Trigger Event or Cash Dominion Event would exist).

“Maximum Revolver Amount” means ~~\$125,000,000~~\$100,000,000, decreased by the amount of reductions in the Revolver Commitments made in accordance with Section 2.4(c) of this Agreement and increased by the amount of any Increase made in accordance with Section 2.14 of this Agreement.

“Moody’s” has the meaning specified therefor in the definition of “Cash Equivalents”.

“Multiemployer Plan” means any multiemployer plan within the meaning of Section 3(37) or 4001(a)(3) of ERISA with respect to which any Loan Party or ERISA Affiliate has an obligation to contribute or has any liability, contingent or otherwise or could be assessed withdrawal liability assuming a complete withdrawal from any such multiemployer plan.

“Net Cash Proceeds” means, with respect to any sale or disposition by any Loan Party or any of its Domestic Subsidiaries of assets, the amount of cash proceeds received (directly or indirectly) from time to time (whether as initial consideration or through the payment of deferred consideration) by or on behalf of such Loan Party or such Domestic Subsidiary, in connection therewith after deducting therefrom only (a) the amount of any Indebtedness secured by any Permitted Lien on any asset (other than (i) Indebtedness owing to Agent or any Lender under this Agreement or the other Loan Documents and (ii) Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection with such sale or disposition, (b) reasonable fees, commissions, and expenses related thereto and required to be paid by such Loan Party or such Domestic Subsidiary in connection with such sale or disposition, (c) taxes paid or payable to any taxing authorities by such Loan Party or such Domestic Subsidiary in connection with such sale or disposition, and (d) all amounts that are set aside as a reserve (i) for adjustments in respect of the purchase price of such assets, (ii) for any liabilities associated with such sale or casualty, to the extent such reserve is required by GAAP, and (iii) for the payment of unassumed liabilities relating to the assets sold or otherwise disposed of at the time of, or within 30 days after, the date of such sale or other disposition, to the extent that in each case the funds described above in this clause (d) are (A) deposited into escrow with a third party escrow agent or set aside in a separate Deposit Account that is subject to a Control Agreement in favor of Agent, and (B) paid to Agent as a prepayment of the applicable Obligations in accordance with Section 2.4(e) of this Agreement at such time when such amounts are no longer required to be set aside as such a reserve.

“Net Recovery Percentage” means, as of any date of determination, the percentage of the book value of the Inventory that is estimated to be recoverable in an orderly liquidation of such Inventory net of all associated costs and expenses of such liquidation, such percentage to be determined as to each category of Inventory and to be as specified in the most recent Acceptable Appraisal of Inventory.

“Non-Consenting Lender” has the meaning specified therefor in Section 14.2(a) of this Agreement.

“Non-Defaulting Lender” means each Lender other than a Defaulting Lender.

“Notification Event” means (a) the occurrence of a “reportable event” described in Section 4043 of ERISA for which the 30-day notice requirement has not been waived by applicable regulations issued by the PBGC, (b) the withdrawal of any Loan Party or ERISA Affiliate from a Pension Plan during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA, (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC or any Pension Plan or Multiemployer Plan administrator, (e) any other event or condition that would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (f) the imposition of a Lien pursuant to the IRC or ERISA in connection with any Employee Benefit Plan or the existence of any facts or circumstances that could reasonably be expected to result in the imposition of a Lien, (g) the partial or complete withdrawal of any Loan Party or ERISA Affiliate from a Multiemployer Plan (other than any withdrawal that would not constitute an Event of Default under Section 8.12), (h) any event or condition that results in the reorganization or insolvency of a Multiemployer Plan under Section 4245 of ERISA, (i) any event or condition that results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by the PBGC of proceedings to terminate or to appoint a trustee to administer a Multiemployer Plan under ERISA, (j) any Pension Plan being in “at risk status” within the meaning of IRC Section 430(i), (k) any Multiemployer Plan being in “endangered status” or “critical status” within the meaning of IRC Section 432(b) or the determination that any Multiemployer Plan is or is expected to be insolvent or in reorganization within the meaning of Section 4245 of ERISA, (l) with respect to any Pension Plan, any Loan Party or ERISA Affiliate incurring a substantial cessation of operations within the meaning of ERISA Section 4062(e), (m) an “accumulated funding deficiency” within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA) or the failure of any Pension Plan or Multiemployer Plan to meet the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA), in each case, whether or not waived, (n) the filing of an application for a waiver of the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA) with respect to any Pension Plan or Multiemployer Plan, (o) the failure to make by its due date a required payment or contribution with respect to any Pension Plan or Multiemployer Plan, (p) any event that results in or could reasonably be expected to result in a liability by a Loan Party pursuant to Title I of ERISA or the excise tax provisions of the IRC relating to Employee Benefit Plans or any event that results in or could reasonably be expected to result in a liability to any Loan Party or ERISA Affiliate pursuant to Title IV of ERISA or Section 401(a)(29) of the IRC, or (q) any of the foregoing is reasonably likely to occur in the following 30 days.

“Obligations” means (a) all loans (including the Revolving Loans (inclusive of Extraordinary Advances and Swing Loans)), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or

indemnification obligations with respect to Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the Loan Account pursuant to this Agreement), obligations (including indemnification obligations), fees (including the fees provided for in the Fee Letter), Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, and all covenants, undertakings and duties of any other kind and description owing by any Loan Party arising out of, under, pursuant to, in connection with, or evidenced by this Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that any Loan Party is required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, and (b) all Bank Product Obligations; provided that, anything to the contrary contained in the foregoing notwithstanding, the Obligations shall exclude any Excluded Swap Obligation. Without limiting the generality of the foregoing, the Obligations of Borrowers under the Loan Documents include the obligation to pay (i) the principal of the Revolving Loans, (ii) interest accrued on the Revolving Loans, (iii) the amount necessary to reimburse the Issuing Banks for amounts paid or payable pursuant to Letters of Credit, (iv) Letter of Credit commissions, fees (including fronting fees) and charges, (v) Lender Group Expenses, (vi) fees payable under this Agreement or any of the other Loan Documents, and (vii) indemnities and other amounts payable by any Loan Party under any Loan Document. Any reference in this Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

“OFAC” means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

“OIS” has the meaning specified therefor the Preamble hereto.

“Ordinary Course of Business” means, in respect of any transaction involving any Loan Party or Subsidiary, the ordinary course of such Person’s business, as conducted by any such Person in accordance with applicable law, and undertaken by such Person in good faith and consistent with past practice, where applicable.

“Originating Lender” has the meaning specified therefor in Section 13.1(e) of this Agreement.

“Other Taxes” means all present or future stamp, court, excise, value added, or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are imposed as a result of a present or former connection between such Lender or such Participant and the jurisdiction or taxing authority imposing the tax (other than any such connection arising from such Lender or such Participant having executed, delivered, become a party to, performed its obligations under, received payments under, received

or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document), imposed with respect to an assignment (other than an assignment made pursuant to Section 2.13 or Section 14.2).

“Overadvance” means, as of any date of determination, that the Revolver Usage is greater than any of the limitations set forth in Section 2.1 or Section 2.11 of this Agreement.

“Participant” has the meaning specified therefor in Section 13.1(e) of this Agreement.

“Participant Register” has the meaning set forth in Section 13.1(i) of this Agreement.

“Pass-Through Proceeds Accounting” means a written accounting of each Restricted Payment, the proceeds of which constituted or were intended to constitute Pass-Through Proceeds, which accounting shall (a) be in form and substance reasonably satisfactory to Agent and (b) contain (i) the date on which each such Restricted Payment was made and the amount thereof; (ii) the Foreign Subsidiary which made such Restricted Payment; (iii) the date on which the proceeds of such Restricted Payment were initially received by OIS or a Domestic Subsidiary; (iv) the number of days which have elapsed since the date the proceeds of such Restricted Payment were initially received by OIS or a Domestic Subsidiary; (v) if applicable, the date on which, and the reason for which, any such proceeds of any such Restricted Payment ceased to constitute Pass-Through Proceeds; and (vi) if applicable, the date on which any of such proceeds were withdrawn from the Pass-Through Proceeds Deposit Account and, the amount thereof, and the use to which such amount was put upon such withdrawal.

“Pass-Through Proceeds Deposit Account” means a deposit account (a) which is established by OIS at Wells Fargo; (b) which is subject to a Control Agreement; (c) into which no funds are deposited, other than Pass-Through Proceeds; and (d) from which no withdrawals or dispositions of funds on deposit therein are made, other than (i) the repayment of the 2023 Senior Notes or the 2026 Senior Notes in accordance with Section 6.6(a), (ii) the payment of any fees associated with the establishment, maintenance, and operation of such deposit account, and (iii) transfers to an OIS operating account established and maintained at Wells Fargo.

“Pass-Through Proceeds” means the proceeds of a Restricted Payment made by a Foreign Subsidiary to OIS (or by a Foreign Subsidiary to a Domestic Subsidiary which is, in a series of one or more intermediate and corresponding Restricted Payments, ultimately made to OIS); provided, however, that no such proceeds shall constitute “Pass-Through Proceeds” unless (a) such proceeds (upon receipt by OIS or a Domestic Subsidiary) shall have been deposited directly into the Pass-Through Proceeds Deposit Account and (b) if such proceeds were received by OIS or a Domestic Subsidiary within 90 days after any Investment (of any kind or character) was made by OIS or any Domestic Subsidiary in any Foreign Subsidiary, OIS shall have demonstrated in writing (to Agent’s satisfaction), before such proceeds are received by OIS, that such proceeds do not constitute any direct or indirect return, refund, or reimbursement of such Investment; provided, however, that any such proceeds shall cease (automatically and without

notice to any Person) to constitute Pass-Through Proceeds (i) if OIS does not provide a Pass-Through Proceeds Accounting with respect to such proceeds (with such Pass-Through Proceeds Accounting being prepared as of the day on which such proceeds were initially received by OIS) within five Business Days after such proceeds are deposited into the Pass-Through Proceeds Deposit Account; (ii) if such proceeds are not applied to the repayment of the 2023 Senior Notes or the 2026 Senior Notes in accordance with Section 6.6(a) within 45 days after such proceeds are first received by a Domestic Subsidiary (with all of such proceeds being deposited into the Pass-Through Proceeds Deposit Account being accounted for on a first-in-first-out basis); and (iii) with respect to any such proceeds which are, in fact, used to repay the 2023 Senior Notes or the 2026 Senior Notes, upon their application to the repayment of the 2023 Senior Notes or the 2026 Senior Notes in accordance with Section 6.6(a), and, with respect to any proceeds which are not, in fact, used to repay the 2023 Senior Notes or the 2026 Senior Notes in accordance with Section 6.6(a), upon their withdrawal from the Pass-Through Proceeds Deposit Account.

“Patent Security Agreement” has the meaning specified therefor in the applicable Guaranty and Security Agreement.

“Patriot Act” has the meaning specified therefor in Section 4.13 of this Agreement.

“Payment Conditions” means, at the time of determination with respect to a proposed payment to fund a Specified Transaction, that:

(a) no Default or Event of Default then exists or would arise as a result of the consummation of such Specified Transaction,

(b) both (i) the Fixed Charge Coverage Ratio of the Loan Parties and their Subsidiaries is equal to or greater than 1.00:1.00 for the trailing 12 month period most recently ended for which financial statements are required to have been delivered to Agent pursuant to Schedule 5.1 to this Agreement (calculated (A) with respect to any Specified Transaction which constitutes a Restricted Payment (or declaration of any Restricted Payment) to be made in cash, on a *pro forma* basis as if such proposed payment is a Fixed Charge made on the last day of such 12 month period (it being understood that such proposed payment shall also be a Fixed Charge made on the last day of such 12 month period for purposes of calculating the Fixed Charge Coverage Ratio under this clause (ii) for any subsequent proposed payment to fund a Specified Transaction) and (B) for any other Specified Transaction, on a *pro forma* basis as if such Specified Transaction was consummated on the last day of such 12 month period (it being understood that such Specified Transaction shall also be deemed consummated on the last day of such 12 month period for purposes of calculating the Fixed Charge Coverage Ratio under this clause (b) for any subsequent proposed payment to fund a Specified Transaction)), and (ii) Availability (x) at all times during the 30 consecutive days immediately preceding the date of such proposed payment and the consummation of such Specified Transaction, calculated on a *pro forma* basis as if such proposed payment was made, and the Specified Transaction was consummated, on the first day of such period, and (y) after giving effect to such proposed payment and Specified Transaction, in each case, is not less than the greater of (1) 20% of the Line Cap, and (2) ~~\$25,000,000~~ \$20,000,000, and

(c) Administrative Borrower has delivered a certificate to Agent certifying that all conditions described in clauses (a) and (b) above have been satisfied.

“Payment Recipient” has the meaning specified therefor in Section 17.18 of this Agreement.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor agency.

“Pension Plan” means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV or Section 302 of ERISA or Sections 412 or 430 of the IRC sponsored, maintained, or contributed to by any Loan Party or ERISA Affiliate or to which any Loan Party or ERISA Affiliate has any liability, contingent or otherwise.

“Perfection Certificate” means a certificate in the form of Exhibit P-1 to this Agreement.

“Permitted Acquisition” means any Acquisition so long as:

(a) the proposed Acquisition is consensual,

(b) with respect to any Permitted Acquisition (or series of related Permitted Acquisitions) for which the purchase consideration payable (including deferred payment obligations) in connection therewith exceeds \$10,000,000 in the aggregate, Borrowers have provided Agent with its due diligence package relative to the proposed Acquisition, including forecasted balance sheets, profit and loss statements, and cash flow statements of the Person or assets to be acquired, all prepared on a basis consistent with such Person’s (or assets’) historical financial statements, together with appropriate supporting details and a statement of underlying assumptions for the one year period following the date of the proposed Acquisition, on a month by month basis, in form and substance (including as to scope and underlying assumptions) reasonably satisfactory to Agent,

(c) with respect to any Permitted Acquisition (or series of related Permitted Acquisitions) for which the purchase consideration payable (including deferred payment obligations) in connection therewith exceeds \$10,000,000 in the aggregate, Borrowers have provided Agent with written notice of the proposed Acquisition at least 15 Business Days prior to the anticipated closing date of the proposed Acquisition (with Borrowers hereby agreeing to provide (promptly and, in any event, within five Business Days after such Acquisition is consummated) true and complete copies of the acquisition agreement and other material documents relative to the proposed Acquisition),

(d) [reserved],

(e) the assets being acquired (other than a *de minimis* amount of assets in relation to Borrowers’ and their Subsidiaries’ total assets), or the Person whose Equity Interests

are being acquired, are useful in or engaged in, as applicable, the business of the Loan Parties and their Subsidiaries or a business reasonably related thereto,

(f) either (A) the assets being acquired (other than a *de minimis* amount of assets in relation to the assets being acquired) are located within the United States, or the Person whose Equity Interests are being acquired is organized in a jurisdiction located within the United States or (B) such Acquisition is being consummated by a Foreign Subsidiary; and

(g) with respect to such Acquisition:

(i) the Payment Conditions are satisfied,

(ii) (A) at the time such Acquisition is consummated and immediately after giving effect thereto, no Event of Default exists and (B) the purchase consideration payable in connection therewith is comprised exclusively of Qualified Equity Interests, or

(iii) (A) the purchase consideration payable in connection therewith is comprised exclusively of Excluded Equity Proceeds, (B) at the time such Acquisition is consummated and immediately after giving effect thereto, no Event of Default exists, (C) the Administrative Borrower shall have given Agent prior written notice of such Acquisition, and (D) on the date on which such Acquisition is consummated, the Administrative Borrower shall have provided Agent with a certificate of a Responsible Officer regarding such Acquisition in which such Responsible Officer (1) certifies that the conditions precedent to such Acquisition set forth in the foregoing clauses (A) through (D) have been satisfied; (2) demonstrates to Agent's satisfaction that the proceeds used to consummate such Acquisition constituted Excluded Equity Proceeds (including by demonstrating that such proceeds satisfy the conditions set forth in the definition of "Excluded Equity Proceeds"); and (3) attaches thereto an Excluded Equity Accounting (which Excluded Equity Accounting shall be prepared as of the date on which such Acquisition is to be consummated and after giving effect thereto).

"Permitted Discretion" means a determination made in the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment.

"Permitted Dispositions" means:

(a) sales, abandonment, or other dispositions of Equipment that is substantially worn, damaged, or obsolete or no longer used or useful in the Ordinary Course of Business and leases or subleases of Real Property not useful in the conduct of the business of the Loan Parties and their Subsidiaries,

(b) sales of Inventory to buyers in the Ordinary Course of Business,

(c) the use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents,

(d) the licensing, on a non-exclusive basis, of patents, trademarks, copyrights, and other intellectual property rights in the Ordinary Course of Business,

(e) the granting of Permitted Liens,

(f) the sale or discount, in each case without recourse, of accounts receivable (other than Eligible Accounts) arising in the Ordinary Course of Business, but only in connection with the compromise or collection thereof,

(g) any involuntary loss, damage or destruction of property,

(h) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property,

(i) the leasing or subleasing of assets of any Loan Party or its Subsidiaries in the Ordinary Course of Business,

(j) the sale or issuance of Equity Interests (other than Disqualified Equity Interests) of OIS,

(k) (i) the lapse of registered patents, trademarks, copyrights and other intellectual property of any Loan Party or any of its Subsidiaries to the extent not economically desirable in the conduct of its business, or (ii) the abandonment of patents, trademarks, copyrights, or other intellectual property rights in the Ordinary Course of Business so long as (in each case under clauses (i) and (ii)), (A) with respect to copyrights, such copyrights are not material revenue generating copyrights, and (B) such lapse is not materially adverse to the interests of the Lender Group,

(l) the making of Restricted Payments that are not prohibited by this Agreement,

(m) the making of Permitted Investments,

(n) transfers of assets (i) from any Loan Party to any Loan Party; (ii) from any Subsidiary to any Loan Party; (iii) from any Subsidiary that is not a Loan Party to any Subsidiary which is not a Loan Party; and (iv) so long as no Event of Default has occurred and is continuing or would immediately result therefrom, from any Loan Party to any Subsidiary which is not a Loan Party; provided, that, (A) with respect to any transfer made pursuant to this clause (iv), to the extent constituting the transfer of assets of the type included in the calculation of the Borrowing Base, (1) such transfer shall be made only in the Ordinary Course of Business (2) after giving *pro forma* effect to such transfer, no Overadvance shall exist, and (3) if, after giving *pro forma* effect to such transfer, a Supplemental BBC Trigger will occur, then Borrowers shall have, prior to the consummation of such transfer, delivered a Supplemental Borrowing Base Certificate to Agent and (B) with respect to any transfer made pursuant to this clause (iv), to the extent constituting the transfer of assets which are not of the type included in the calculation of

the Borrowing Base, the aggregate amount of such assets transferred in any of OIS's fiscal years shall not exceed \$20,000,000,

(o) dispositions of Equipment or Real Property (not including, with respect to Real Property, the granting of Liens in and to such Real Property) to the extent that (i) such property is exchanged for credit against the purchase price of fixed assets which are used in the Ordinary Course of Business of the Loan Parties and their Subsidiaries, or (ii) the proceeds of such disposition are promptly applied to the repair or purchase price of fixed assets which are used in the Ordinary Course of Business of the Loan Parties and their Subsidiaries; provided, that to the extent the property being transferred constitutes Collateral, such replacement property shall constitute Collateral,

(p) dispositions of assets acquired by the Loan Parties and their Subsidiaries pursuant to a Permitted Acquisition consummated within 12 months of the date of the proposed disposition so long as (i) the consideration received for the assets to be so disposed is at least equal to the fair market value of such assets, (ii) the assets to be so disposed are not necessary or economically desirable in connection with the business of the Loan Parties and their Subsidiaries, (iii) the assets to be so disposed are readily identifiable as assets acquired pursuant to the subject Permitted Acquisition, and (iv) if, as of any date of determination, a Supplemental BBC Trigger occurs, then Borrowers shall have, prior to the consummation of the sale or disposition that causes the Supplemental BBC Trigger to occur, deliver a Supplemental Borrowing Base Certificate to Agent,

(q) the Houston Ship Channel Disposition, and

(r) sales or other dispositions of assets not otherwise permitted in clauses (a) through (q) above (other than sales or other dispositions of Accounts in connection with securitization or factoring arrangements), so long as (i) no Default or Event of Default has occurred and is continuing or would immediately result therefrom, (ii) each such sale or disposition is in an arm's-length transaction and the applicable Loan Party or its Subsidiary receives at least the fair market value of the assets so disposed, (iii) the consideration received by the applicable Loan Party or its Subsidiary consists of at least 75% cash and Cash Equivalents and is paid at the time of the closing of such sale or disposition, and (iv) the aggregate amount of the cash and non-cash proceeds received from all assets sold or disposed of pursuant to this clause (r) shall not exceed \$30,000,000 in any fiscal year of OIS (for this purpose, using the fair market value of property other than cash); provided, that if, as of any date of determination, a Supplemental BBC Trigger occurs, then Borrowers shall, prior to the consummation of the sale or disposition that causes the Supplemental BBC Trigger to occur, deliver a Supplemental Borrowing Base Certificate to Agent.

"Permitted Indebtedness" means:

(a) Indebtedness in respect of the Obligations other than Bank Product Obligations,

(b) Indebtedness as of the Closing Date set forth on Schedule 4.14 to this Agreement and any Refinancing Indebtedness in respect of such Indebtedness,

(c) Permitted Purchase Money Indebtedness and any Refinancing Indebtedness in respect of such Indebtedness,

(d) Indebtedness arising in connection with the endorsement of instruments or other payment items for deposit,

(e) Indebtedness consisting of (i) unsecured guarantees incurred in the Ordinary Course of Business with respect to surety and appeal bonds, performance bonds, bid bonds, appeal bonds, completion guarantee and similar obligations; (ii) unsecured guarantees arising with respect to customary indemnification obligations to purchasers in connection with Permitted Dispositions; and (iii) unsecured guarantees with respect to Indebtedness of any Loan Party or one of its Subsidiaries, to the extent that the Person that is obligated under such guaranty could have incurred such underlying Indebtedness,

(f) unsecured Indebtedness of any Loan Party that is incurred on the date of the consummation of a Permitted Acquisition solely for the purpose of consummating such Permitted Acquisition so long as (i) no Event of Default has occurred and is continuing or would result therefrom, (ii) such unsecured Indebtedness is not incurred for working capital purposes, (iii) such unsecured Indebtedness does not mature prior to the date that is 12 months after the Maturity Date, (iv) such unsecured Indebtedness does not amortize until 12 months after the Maturity Date, (v) such unsecured Indebtedness does not provide for the payment of interest thereon in cash or Cash Equivalents prior to the date that is 12 months after the Maturity Date, and (vi) such Indebtedness is subordinated in right of payment to the Obligations on terms and conditions reasonably satisfactory to Agent and is otherwise on terms and conditions (including economic terms and absence of covenants) reasonably satisfactory to Agent,

(g) Acquired Indebtedness in an amount not to exceed \$25,000,000 outstanding at any one time,

(h) Indebtedness incurred in the Ordinary Course of Business under performance, surety, statutory, or appeal bonds,

(i) Indebtedness owed to any Person providing property, casualty, liability, or other insurance to any Loan Party or any of its Subsidiaries, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Indebtedness is incurred and such Indebtedness is outstanding only during such year,

(j) ~~reserved~~ Indebtedness in respect of any LC Facility in an aggregate principal amount not to exceed \$20,000,000,

(k) Indebtedness incurred in the Ordinary Course of Business in respect of Bank Products (provided, that with respect to transactions under Hedge Agreements, such Indebtedness shall be incurred only as provided in Section 6.15),

(l) unsecured Indebtedness of any Loan Party owing to employees, former employees, former officers, directors, or former directors (or any spouses, ex-spouses, or estates of any of the foregoing) incurred in connection with the repurchase or redemption by such Loan Party of the Equity Interests of OIS that has been issued to such Persons, so long as (i) no Default or Event of Default has occurred and is continuing or would result from the incurrence of such Indebtedness, (ii) the aggregate amount of all such Indebtedness outstanding, *plus* the aggregate amount of redemptions made by OIS under Section 6.7(a) and forgiveness of loans under Section 6.7(b), at any one time does not exceed \$5,000,000, and (iii) such Indebtedness is subordinated in right of payment to the Obligations on terms and conditions reasonably acceptable to Agent,

(m) contingent liabilities in respect of any indemnification obligation, adjustment of purchase price, non-compete, or similar obligation of any Loan Party incurred in connection with the consummation of one or more Permitted Acquisitions,

(n) Indebtedness comprising Permitted Investments,

(o) unsecured Indebtedness incurred in respect of netting services, overdraft protection, and other like services, in each case, incurred in the Ordinary Course of Business,

(p) unsecured Indebtedness of any Loan Party or its Subsidiaries in respect of Earn-Outs owing to sellers of assets or Equity Interests to such Loan Party or its Subsidiaries that is incurred in connection with the consummation of one or more Permitted Acquisitions so long as such unsecured Indebtedness is on terms and conditions reasonably acceptable to Agent,

(q) Indebtedness in an aggregate outstanding principal amount not to exceed \$50,000,000 at any time outstanding for all Subsidiaries of each Loan Party that are not Loan Parties; provided, that such Indebtedness is not directly or indirectly recourse to any of the Loan Parties or to their respective assets,

(r) accrual of interest, accretion or amortization of original issue discount, or the payment of interest in kind, in each case, on Indebtedness that otherwise constitutes Permitted Indebtedness,

(s) Indebtedness of the Loan Parties so long as (w) no Default or Event of Default shall have occurred and be continuing at the time of issuance or incurrence or shall result therefrom, (x) in the case of secured Indebtedness, at the time of incurrence thereof and after giving pro forma effect thereto and the use of proceeds thereof, the Borrower would be in compliance with a Leverage Ratio, calculated on a pro forma basis as of the most recently ended fiscal month for which Agent has received financial statements pursuant to Section 5.1 on or prior to the incurrence of such secured Indebtedness, that is no greater than 3.50:1.00, and (y) in the case of unsecured Indebtedness, at the time of incurrence thereof and after giving pro forma

effect thereto and the use of proceeds thereof, the Borrower would be in compliance with the Leverage Ratio, calculated on a pro forma basis as of the most recently ended fiscal month for which Agent has received financial statements pursuant to Section 5.1 on or prior to the incurrence of such unsecured Indebtedness, that is no greater than 4.00:1.00; provided that (A) any secured Indebtedness incurred pursuant to clause (x) hereof may only be secured by a second priority security interest, (B) any such Indebtedness has a final maturity date that is at least 180 days later than the Maturity Date, (C) in the case of any such Indebtedness in the form of notes, the terms thereof do not contain financial maintenance covenants (it being understood that this clause (C) expressly does not apply to term loans or other similar forms of Indebtedness), (D) the terms of any such Indebtedness shall not contain or otherwise impose (i) any representations, warranties, covenants, conditions, mandatory prepayments, events of default, remedies or other provisions that either (1) are not usual and customary with respect to such type of Indebtedness given the then prevailing market conditions, or (2) are materially more restrictive or burdensome than the terms and provisions set forth in this Agreement; provided that, the inclusion of any covenant that is usual and customary with respect to such type of Indebtedness given the then prevailing market conditions and that is not found in this Agreement shall not be deemed to be more restrictive for purposes of this subclause (D)(i)(2), or (ii) any scheduled amortization or other scheduled requirement to purchase, redeem, retire, tender, defease, or establish a sinking fund other than (1) scheduled amortization of no more than 1.0% of the initial aggregate principal amount of such Indebtedness *per annum* to the extent such amortization is customary for such type of Indebtedness, and (2) at scheduled maturity date, and (E) in the case of Indebtedness secured by any Collateral, the holder of such Indebtedness (or an agent or representative in respect thereof) shall have entered into a customary intercreditor agreement in form and substance satisfactory to Agent and OIS,

(t) (i) the 2023 Senior Notes and (ii) the 2026 Senior Notes and any Refinancing Indebtedness in respect of the 2026 Senior Notes,

(u) the Seller Note,

(v) Indebtedness incurred by any Foreign Subsidiary in an aggregate outstanding principal amount not to exceed \$20,000,000 from and after the Third Amendment Effective Date for all Foreign Subsidiaries; provided, that such Indebtedness is not directly or indirectly recourse to any of the Loan Parties or to their respective assets, and

(w) any other unsecured Indebtedness incurred by any Loan Party or any of its Subsidiaries in an aggregate outstanding amount not to exceed \$20,000,000 at any one time.

“Permitted Intercompany Advances” means loans or capital contributions made by (a) a Loan Party to another Loan Party, (b) a Subsidiary that is not a Loan Party to another Subsidiary that is not a Loan Party, (c) a Subsidiary that is not a Loan Party to a Loan Party, so long as the parties thereto are party to the Intercompany Subordination Agreement (or will become party thereto within the time period specified in Section 3.6), and (d) any other loan or capital contribution made by a Loan Party to a Subsidiary that is not a Loan Party so long as (i) the aggregate amount of all such loans and capital contributions under this clause (d), taken together, does not exceed \$20,000,000 from and after the Third Amendment Effective Date, and

(ii) at the time of the making of such loan or capital contribution, no Event of Default has occurred and is continuing or would result therefrom.

“Permitted Investments” means:

- (a) Investments in cash and Cash Equivalents,
- (b) Investments in negotiable instruments deposited or to be deposited for collection in the Ordinary Course of Business,
- (c) advances made in connection with purchases of goods or services in the Ordinary Course of Business,
- (d) Investments received in settlement of amounts due to any Loan Party or any of its Subsidiaries effected in the Ordinary Course of Business or owing to any Loan Party or any of its Subsidiaries as a result of Insolvency Proceedings involving an account debtor or upon the foreclosure or enforcement of any Lien in favor of a Loan Party or its Subsidiaries,
- (e) Investments owned by any Loan Party or any of its Subsidiaries on the Closing Date and set forth on Schedule P-1 to this Agreement,
- (f) guarantees permitted under the definition of “Permitted Indebtedness”,
- (g) Permitted Intercompany Advances,
- (h) Equity Interests or other securities acquired in connection with the satisfaction or enforcement of Indebtedness or claims due or owing to a Loan Party or its Subsidiaries (in bankruptcy of customers or suppliers or otherwise outside the Ordinary Course of Business) or as security for any such Indebtedness or claims,
- (i) deposits of cash made in the Ordinary Course of Business to secure performance of operating leases,
- (j) (i) non-cash loans and advances to employees, officers, and directors of a Loan Party or any of its Subsidiaries for the purpose of purchasing Equity Interests in OIS so long as the proceeds of such loans are used in their entirety to purchase such Equity Interests in OIS, and (ii) loans and advances to employees and officers of a Loan Party or any of its Subsidiaries in the Ordinary Course of Business for any other business purpose and in an aggregate amount not to exceed \$5,000,000 at any one time,
- (k) Permitted Acquisitions,
- (l) Investments by any Loan Party in any other Loan Party,
- (m) Investments resulting from entering into (i) Bank Product Agreements or (ii) agreements relative to obligations permitted under clause (j) of the definition of “Permitted Indebtedness”,

(n) equity Investments by any Loan Party in any Subsidiary of such Loan Party which is required by law to maintain a minimum net capital requirement or as may be otherwise required by applicable law,

(o) Investments held by a Person acquired in a Permitted Acquisition to the extent that such Investments were not made in contemplation of or in connection with such Permitted Acquisition and were in existence on the date of such Permitted Acquisition,

(p) so long as no Event of Default has occurred and is continuing or would result therefrom, any other Investments in an aggregate amount not to exceed \$10,000,000 from and after the Third Amendment Effective Date,

(q) Investments consisting of non-cash consideration received in connection with Permitted Dispositions, so long as the non-cash consideration received in connection with any Permitted Disposition does not exceed 25% of the total consideration received in connection with such Permitted Disposition,

(r) any other Investment (other than any Acquisition and any Investment by a Loan Party in or to a Subsidiary that is not a Loan Party) so long as (i) the Payment Conditions are satisfied or (ii) (A) such Investment is made exclusively with Qualified Equity Interests and (B) so long as at the time such Investment is made and immediately after giving effect thereto, no Event of Default exists, and

(s) any other Investment (other than any Acquisition) so long as (i) such Investment is made exclusively with Excluded Equity Proceeds, (ii) at the time such Investment is made and immediately after giving effect thereto, no Event of Default exists, (iii) the Administrative Borrower shall have given Agent prior written notice of such Investment, and (iv) on the date on which such Investment is made, the Administrative Borrower shall have provided Agent with a certificate of a Responsible Officer regarding such Investment in which such Responsible Officer (A) certifies that the conditions precedent to such Investment set forth in the foregoing clauses (i) through (iii) have been satisfied; (B) demonstrates to Agent's satisfaction that the proceeds used to make such Investment constituted Excluded Equity Proceeds (including by demonstrating that such proceeds satisfy the conditions set forth in the definition of "Excluded Equity Proceeds"); and (C) attaches thereto an Excluded Equity Accounting (which Excluded Equity Accounting shall be prepared as of the date on which such Investment is to be made and after giving effect thereto).

"Permitted Liens" means (subject to Section 6.14):

(a) Liens granted to, or for the benefit of, Agent to secure the Obligations,

(b) Liens or claims for unpaid taxes, assessments, or other governmental charges or levies that either (i) are not yet delinquent, or (ii) do not have priority over Agent's Liens and the underlying taxes, assessments, or charges or levies are the subject of Permitted Protests,

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 8.3 of this Agreement,

(d) Liens set forth on Schedule P-2 to this Agreement; provided, that to qualify as a Permitted Lien, any such Lien described on Schedule P-2 to this Agreement shall only secure the Indebtedness that it secures on the Closing Date and any Refinancing Indebtedness in respect thereof,

(e) the interests of lessors under operating leases and non-exclusive licensors under license agreements,

(f) purchase money Liens on fixed assets or the interests of lessors under Capital Leases to the extent that such Liens or interests secure Permitted Purchase Money Indebtedness and so long as (i) such Lien attaches only to the fixed asset purchased or acquired and the proceeds thereof, and (ii) such Lien only secures the Indebtedness that was incurred to acquire the fixed asset purchased or acquired or any Refinancing Indebtedness in respect thereof,

(g) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, or suppliers, incurred in the Ordinary Course of Business and not in connection with the borrowing of money, and which Liens either (i) are for sums not yet delinquent, or (ii) are the subject of Permitted Protests,

(h) Liens on amounts deposited to secure any Borrower's and its Subsidiaries obligations in connection with worker's compensation or other unemployment insurance,

(i) Liens on amounts deposited to secure any Borrower's and its Subsidiaries obligations in connection with the making or entering into of bids, tenders, or leases in Ordinary Course of Business and not in connection with the borrowing of money,

(j) Liens on amounts deposited to secure any Borrower's and its Subsidiaries reimbursement obligations with respect to surety or appeal bonds obtained in the Ordinary Course of Business,

(k) with respect to any Real Property, easements, title conditions, rights of way, and zoning restrictions that do not materially interfere with or impair the use, enjoyment or operation thereof,

(l) non-exclusive licenses of patents, trademarks, copyrights, and other intellectual property rights in the Ordinary Course of Business,

(m) Liens that are replacements of Permitted Liens to the extent that the original Indebtedness is the subject of permitted Refinancing Indebtedness and so long as the replacement Liens only encumber those assets that secured the original Indebtedness,

(n) rights of setoff or bankers' liens upon deposits of funds in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of such Deposit Accounts in the Ordinary Course of Business,

(o) Liens granted in the Ordinary Course of Business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under the definition of “Permitted Indebtedness”,

(p) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods,

(q) Liens permitted under clause (s) of the definition of “Permitted Indebtedness” (but only to the extent such Indebtedness is permitted to be secured under the terms of clause (s) of such definition),

(r) Liens assumed by any Loan Party or its Subsidiaries in connection with a Permitted Acquisition that secure Acquired Indebtedness that is Permitted Indebtedness,

(s) Liens on assets of Foreign Subsidiaries which secure Indebtedness permitted under clause (v) of the definition of “Permitted Indebtedness,” and

(t) other Liens which do not secure Indebtedness for borrowed money or letters of credit and as to which the aggregate amount of the obligations secured thereby does not exceed \$7,500,000.

“Permitted Location” means, with respect to the Inventory of any Loan Party or any of its Domestic Subsidiaries:

(a) each location identified on Schedule 4.25 to this Agreement (provided that the Administrative Borrower may amend Schedule 4.25 to this Agreement from time to time to add new locations so long as such amendment occurs by written notice to Agent not less than ten days prior to the date on which any Inventory is moved to any such new location and each such new location is within the continental United States);

(b) any location of any Loan Party’s or any Domestic Subsidiary’s customers, so long as (i) such location is in the continental United States; (ii) such Inventory is located at such location in the Ordinary Course of Business; and (iii) such Inventory is located at such location for the purposes of providing services by a Loan Party or a Subsidiary to such customer or the sale of such Inventory to such customer;

(c) with respect to Inventory in the possession of the Loan Parties’ or their Subsidiaries’ salespersons, at any location in the continental United States where such salesperson is located in the Ordinary Course of Business;

(d) any third-party manufacturing or third-party fabrication location in the continental United States, so long as such Inventory is located at such location in the Ordinary Course of Business;

(e) any location of the type described in the foregoing clauses (a) – (d) which is located outside of the continental United States so long as the aggregate value of Inventory located at locations under this clause (e) does not, at any time, exceed \$5,000,000;

(f) any other location in the continental United States so long as the aggregate value of Inventory located at locations under this clause (f) does not, at any time, exceed \$2,500,000; and

(g) with respect to Inventory which is in-transit from any of the foregoing locations to any other of the foregoing locations.

“Permitted Protest” means the right of any Loan Party or any of its Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax lien), or rental payment; provided, that (a) a reserve with respect to such obligation is established on such Loan Party’s or its Subsidiaries’ books and records in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted diligently by such Loan Party or its Subsidiary, as applicable, in good faith, and (c) Agent is satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Agent’s Liens.

“Permitted Purchase Money Indebtedness” means, as of any date of determination, Indebtedness (other than the Obligations, but including Capitalized Lease Obligations), incurred after the Closing Date and at the time of, or within 60 days after, the acquisition of any fixed assets for the purpose of financing all or any part of the acquisition cost thereof, in an aggregate principal amount outstanding at any one time not in excess of \$50,000,000.

“Person” means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

“Platform” has the meaning specified therefor in Section 17.9(c) of this Agreement.

“Post-Increase Revolver Lenders” has the meaning specified therefor in Section 2.14(d) of this Agreement.

“Pre-Increase Revolver Lenders” has the meaning specified therefor in Section 2.14(d) of this Agreement.

“Pro Rata Share” means, as of any date of determination:

(a) with respect to a Lender’s obligation to make all or a portion of the Revolving Loans, with respect to such Lender’s right to receive payments of interest, fees, and principal with respect to such Revolving Loans, and with respect to all other computations and other matters related to the Revolver Commitments or the Revolving Loans, the percentage obtained by dividing (i) the Revolving Loan Exposure of such Lender, by (ii) the aggregate Revolving Loan Exposure of all Lenders,

(b) with respect to a Lender's obligation to participate in Letters of Credit, with respect to such Lender's obligation to reimburse the applicable Issuing Bank, and with respect to such Lender's right to receive payments of Letter of Credit Fees, and with respect to all other computations and other matters related to Letters of Credit, the percentage obtained by dividing (i) the Revolving Loan Exposure of such Lender by (ii) the aggregate Revolving Loan Exposure of all Lenders; provided, that if all of the Revolving Loans of such Lender have been repaid in full and all Revolver Commitments of such Lender have been terminated, but Letters of Credit remain outstanding, Pro Rata Share under this clause shall be the percentage obtained by dividing (A) the Letter of Credit Exposure of such Lender by (B) the Letter of Credit Exposure of all Lenders, and

(c) with respect to all other matters and for all other matters as to a particular Lender (including the indemnification obligations arising under Section 15.7 of this Agreement), the percentage obtained by dividing (i) the Revolving Loan Exposure of such Lender by (ii) the aggregate Revolving Loan Exposure of all Lenders, in any such case as the applicable percentage may be adjusted by assignments permitted pursuant to Section 13.1; provided, that if all of the Loans have been repaid in full and all Commitments have been terminated, Pro Rata Share under this clause shall be the percentage obtained by dividing (A) the aggregate Letter of Credit Exposure of such Lender by (B) the aggregate Letter of Credit Exposure of all Lenders.

"Projections" means OIS's and its Subsidiaries' forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, all prepared on a basis consistent with OIS's and its Subsidiaries' historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Protective Advances" has the meaning specified therefor in Section 2.3(d)(i) of this Agreement.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Purchase Price" means, with respect to any Acquisition, an amount equal to the aggregate consideration, whether cash, property or securities (including the fair market value of any Equity Interests of OIS issued in connection with such Acquisition and including the maximum amount of Earn-Outs), paid or delivered by a Loan Party or one of its Subsidiaries in connection with such Acquisition (whether paid at the closing thereof or payable thereafter and whether fixed or contingent), but excluding therefrom (a) any cash of the seller and its Affiliates used to fund any portion of such consideration, and (b) any cash or Cash Equivalents acquired in connection with such Acquisition.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8)(D).

"QFC Credit Support" has the meaning specified therefor in Section 17.15 of this Agreement.

“Qualified Equity Interests” means and refers to any Equity Interests issued by OIS (and not by one or more of its Subsidiaries) that is not a Disqualified Equity Interest.

“Real Property” means any estates or interests in real property, real estate, land or buildings now owned or hereafter acquired by any Loan Party or one of its Subsidiaries and the improvements thereto.

“Receivables Reserves” means, as of any date of determination, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to Section 2.1(d), to establish and maintain (including Landlord Reserves for books and records locations and reserves for rebates, discounts, warranty claims, and returns) with respect to the Eligible Accounts, Eligible Billed Accounts, Eligible Unbilled Accounts, Eligible Progress Billings, or the Maximum Revolver Amount.

“Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Refinancing Indebtedness” means refinancings, renewals, or extensions of Indebtedness so long as:

(a) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount of premiums paid thereon, accrued and unpaid interest thereon, and the fees and expenses (including any original issue discount or upfront fees) incurred in connection therewith and by the amount of unfunded commitments with respect thereto,

(b) such refinancings, renewals, or extensions do not result in a shortening of the final stated maturity or the average weighted maturity (measured as of the refinancing, renewal, or extension) of the Indebtedness so refinanced, renewed, or extended, nor are they on terms or conditions that, if more restrictive than the Indebtedness refinanced, taken as a whole, are or could reasonably be expected to be materially adverse to the interests of the Lenders,

(c) if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension must include subordination terms and conditions that are at least as favorable to the Lender Group as those that were applicable to the refinanced, renewed, or extended Indebtedness,

(d) the Indebtedness that is refinanced, renewed, or extended is not recourse to any Person that is liable on account of the Obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended,

(e) if the Indebtedness that is refinanced, renewed or extended was unsecured, such refinancing, renewal or extension shall either be unsecured or secured on a junior priority basis and subject to a customary intercreditor agreement in form and substance satisfactory to Agent, and

(f) if the Indebtedness that is refinanced, renewed, or extended was secured (i) such refinancing, renewal, or extension shall be secured by substantially the same or less collateral as secured such refinanced, renewed or extended Indebtedness on terms no less favorable to Agent or the Lender Group and (ii) the Liens securing such refinancing, renewal or extension shall not have a priority more senior than the Liens securing such Indebtedness that is refinanced, renewed or extended.

“Register” has the meaning set forth in Section 13.1(h) of this Agreement.

“Registered Loan” has the meaning set forth in Section 13.1(h) of this Agreement.

“Related Fund” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender, or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Remedial Action” means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address any release of Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other similar actions with respect to Hazardous Materials required by Environmental Laws.

“Replacement Lender” has the meaning specified therefor in Section 2.13(b) of this Agreement.

“Report” has the meaning specified therefor in Section 15.16 of this Agreement.

“Required Availability” means that Availability minus the aggregate amount of all of the Loan Parties’ accounts payable which, as of the Closing Date, are more than 60 days past their original due date exceeds \$29,000,000.

“Required Lenders” means, at any time, Lenders having or holding more than 50% of the sum of the aggregate Revolving Loan Exposure of all Lenders; provided, that (i) the Revolving Loan Exposure of any Defaulting Lender shall be disregarded in the determination of the Required Lenders, and (ii) at any time there are two or more Lenders (who are not Affiliates of one another or Defaulting Lenders), “Required Lenders” must include at least two Lenders (who are not Affiliates of one another).

“Reserves” means, as of any date of determination, Inventory Reserves, Receivables Reserves, Bank Product Reserves, and those other reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to Section 2.1(d), to establish and maintain (including reserves with respect to (a) sums that any Loan Party or its Subsidiaries are required to pay under any Section of this Agreement or any other Loan Document (such as taxes, assessments, insurance premiums, or, in the case of leased assets, rents or other amounts payable under such leases) and has failed to pay, and (b) amounts owing by any Loan Party or its Subsidiaries to any Person to the extent secured by a Lien on, or trust over, any of the Collateral (other than a Permitted Lien), which Lien or trust, in the Permitted Discretion of Agent likely would have a priority superior to the Agent’s Liens (such as Liens or trusts in favor of landlords, warehousemen, carriers, mechanics, materialmen, laborers, or suppliers, or Liens or trusts for ad valorem, excise, sales, or other taxes where given priority under applicable law) in and to such item of the Collateral) with respect to the Borrowing Base or the Maximum Revolver Amount (solely with respect to the Reserves contemplated by clause (b) of the definition of “Maturity Date” with respect to the 2026 Senior Notes).

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, president, vice president, chief financial officer, treasurer, assistant treasurer or other similar officer of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means (a) any declaration or payment of any dividend or the making of any other payment or distribution, directly or indirectly, on account of Equity Interests issued by OIS or any of its Subsidiaries (including any such payment in connection with any merger or consolidation involving OIS) or to the direct or indirect holders of Equity Interests issued by OIS or any of its Subsidiaries in their capacity as such (other than dividends or distributions payable in Qualified Equity Interests issued by OIS or any of its Subsidiaries), or (b) any purchase, redemption, making of any sinking fund or similar payment, or other acquisition or retirement for value (including in connection with any merger, amalgamation or consolidation involving OIS) any Equity Interests issued by OIS or any of its Subsidiaries, or (c) any making of any payment to retire, or to obtain the surrender of, any outstanding warrants, options, or other rights to acquire Equity Interests of OIS now or hereafter outstanding.

“Revaluation Date” means, with respect to any Letter of Credit denominated in Pounds Sterling, Euros, or any other currency to the extent permitted hereunder, each of the following: (a) each date of issuance of such Letter of Credit, (b) each date of an amendment of such Letter of Credit having the effect of increasing the amount thereof, (c) each date of any payment by the applicable Issuing Bank under such Letter of Credit, and (d) such additional dates as Agent or the applicable Issuing Bank shall determine or the Required Lenders shall require.

“Revolver Commitment” means, with respect to each Revolving Lender, its Commitment, and, with respect to all Revolving Lenders, their Revolver Commitments, in each case as such Dollar amounts are set forth beside such Revolving Lender’s name under the applicable heading on Schedule C-1 to the Agreement or in the Assignment and Acceptance pursuant to which such Revolving Lender became a Revolving Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1, increased in accordance with Section 2.14, or reduced in accordance with Section 2.4(c).

“Revolver Usage” means, as of any date of determination, the sum of (a) the amount of outstanding Revolving Loans (inclusive of Swing Loans and Extraordinary Advances), plus (b) the amount of Letter of Credit Usage.

“Revolving Lender” means a Lender that has a Revolver Commitment or that has an outstanding Revolving Loan.

“Revolving Loan Exposure” means, with respect to any Revolving Lender, as of any date of determination (a) prior to the termination of the Revolver Commitments, the amount of such Lender’s Revolver Commitment and (b) after the termination of the Revolver Commitments, the aggregate outstanding principal amount of the Revolving Loans of such Lender.

“Revolving Loans” has the meaning specified therefor in Section 2.1(a) of the Agreement.

“S&P” has the meaning specified therefor in the definition of “Cash Equivalents”.

“Sanctioned Entity” means (a) a country or territory or a government of a country or territory, (b) an agency of the government of a country or territory, (c) an organization directly or indirectly controlled by a country or territory or its government, or (d) a Person resident in or determined to be resident in a country or territory, in each case of clauses (a) through (d) that is a target of Sanctions, including a target of any country sanctions program administered and enforced by OFAC.

“Sanctioned Person” means, at any time (a) any Person named on the list of Specially Designated Nationals and Blocked Persons maintained by OFAC, OFAC’s consolidated Non-SDN list or any other Sanctions-related list maintained by any Governmental Authority, (b) a Person or legal entity that is a target of Sanctions, (c) any Person operating, organized or resident in a Sanctioned Entity, or (d) any Person directly or indirectly owned or controlled (individually or in the aggregate) by or acting on behalf of any such Person or Persons described in clauses (a) through (c) above.

“Sanctions” means individually and collectively, respectively, any and all economic sanctions, trade sanctions, financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes anti-terrorism laws and other sanctions laws, regulations or embargoes, including those imposed, administered or enforced from time to time by: (a) the United States of

America, including those administered by OFAC, the U.S. Department of State, the U.S. Department of Commerce, or through any existing or future executive order, (b) the United Nations Security Council, (c) the European Union or any European Union member state, (d) Her Majesty's Treasury of the United Kingdom, or (e) any other Governmental Authority with jurisdiction over any member of Lender Group or any Loan Party or any of their respective Subsidiaries or Affiliates.

“SEC” means the United States Securities and Exchange Commission and any successor thereto.

“Securities Account” means a securities account (as that term is defined in the Code).

“Securities Act” means the Securities Act of 1933, as amended from time to time, and any successor statute.

“Seller Note” means that certain promissory note dated as of January 12, 2018 issued by GD Development Corporation, a Delaware corporation, in favor of GEODynamics B.V. in the original principal amount of \$25,000,000.

“Settlement” has the meaning specified therefor in Section 2.3(e)(i) of this Agreement.

“Settlement Date” has the meaning specified therefor in Section 2.3(e)(i) of this Agreement.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Deadline” has the meaning specified therefor in Section 2.12(b)(i) of this Agreement.

“SOFR Loan” means each portion of a Revolving Loan that bears interest at a rate determined by reference to Adjusted Term SOFR (other than pursuant to clause (c) of the definition of “Base Rate”).

“SOFR Margin” has the meaning set forth in the definition of Applicable Margin.

“SOFR Notice” means a written notice in the form of Exhibit L-1 to this Agreement.

“SOFR Option” has the meaning specified therefor in Section 2.12(a) of this Agreement.

“Solvent” means, with respect to any Person as of any date of determination, that (a) at fair valuations, the sum of such Person’s debts (including contingent liabilities) is less than all of such Person’s assets, (b) such Person is not engaged or about to engage in a business or transaction for which the remaining assets of such Person are unreasonably small in relation to the business or transaction or for which the property remaining with such Person is an unreasonably small capital, (c) such Person has not incurred and does not intend to incur, or reasonably believe that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise), and (d) such Person is “solvent” or not “insolvent” or an “insolvent person”, as applicable within the meaning given those terms and similar terms under applicable laws relating to fraudulent transfers and conveyances or bankruptcy. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

“Specified Account Debtor” means each of Dynamic Energy Solutions, Halliburton Company, Baker Hughes Co, Schlumberger NV, General Dynamics, NOV Inc., TechnipFMC plc, any other Account Debtor with a corporate credit rating of BBB- or higher by S&P or Baa3 or higher by Moody’s, any Subsidiary of any of the foregoing, or any other Account Debtor for which the Agent has provided its prior written approval.

“Specified Account Debtor Country” means any Supplemental Account Debtor Country, Norway, the Netherlands, Australia, Singapore, France, Germany, New Zealand, Malaysia, Mexico, the British Virgin Islands, Denmark, and Israel.

“Specified Transaction” means, any prepayment of Indebtedness, Permitted Acquisition, Permitted Investment, or Restricted Payment (or declaration of any prepayment or Restricted Payment).

“Spot Rate” means, for a currency, the rate determined by Agent to be the rate quoted by Agent acting in such capacity as the spot rate for the purchase by Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. (New York time) on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided, that Agent may obtain such spot rate from another financial institution designated by Agent if Agent acting in such capacity does not have as of the date of determination a spot buying rate for any such currency.

“Standard Letter of Credit Practice” means, for any Issuing Bank, any domestic or foreign law or letter of credit practices applicable in the city in which such Issuing Bank issued the applicable Letter of Credit or, for its branch or correspondent, such laws and practices applicable in the city in which it has advised, confirmed or negotiated such Letter of Credit, as the case may be, in each case, (a) which letter of credit practices are of banks that regularly issue letters of credit in the particular city, and (b) which laws or letter of credit practices are required or permitted under ISP or UCP, as chosen in the applicable Letter of Credit.

“Subsidiary” of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the Equity Interests having ordinary voting power to elect a majority of the Board of Directors of such corporation, partnership, limited liability company, or other entity. Any unqualified reference to “Subsidiary” in this Agreement or in any other Loan Document shall mean and refer to a direct or indirect subsidiary of OIS.

“Supermajority Lenders” means, at any time, Revolving Lenders having or holding more than 66 2/3% of the aggregate Revolving Loan Exposure of all Revolving Lenders; provided, that (i) the Revolving Loan Exposure of any Defaulting Lender shall be disregarded in the determination of the Supermajority Lenders, and (ii) at any time there are two or more Revolving Lenders (who are not Affiliates of one another), “Supermajority Lenders” must include at least two Revolving Lenders (who are not Affiliates of one another or Defaulting Lenders).

“Supplemental Account Debtor Country” means Saudi Arabia, United Arab Emirates, Oman, Qatar, and Kuwait.

“Supplemental BBC Trigger” means, as of any date of determination, any sales or dispositions by the Loan Parties outside of the Ordinary Course of Business during the period of time from the first day of the month in which such date of determination occurs until such date of determination, either individually or in the aggregate, involving \$5,000,000 or more of assets included in the Borrowing Base (based on the fair market value of the assets so disposed).

“Supplemental Borrowing Base Certificate” means an updated Borrowing Base Certificate that reflects the removal of the applicable assets from the Borrowing Base.

“Supported QFC” has the meaning specified therefor in Section 17.15 of this Agreement.

“Swap Obligation” means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Swing Lender” means Wells Fargo or any other Lender that, at the request of Borrowers and with the consent of Agent agrees, in such Lender’s sole discretion, to become the Swing Lender under Section 2.3(b) of this Agreement.

“Swing Loan” has the meaning specified therefor in Section 2.3(b) of this Agreement.

“Swing Loan Exposure” means, as of any date of determination with respect to any Lender, such Lender’s Pro Rata Share of the Swing Loans on such date.

“Tax Indemnitee” has the meaning specified therefor in Section 16.1 of this Agreement.

“Tax Lender” has the meaning specified therefor in Section 14.2(a) of this Agreement.

“Taxes” means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto.

“Term SOFR” means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day.

~~“Term SOFR Adjustment” means a percentage equal to 0.10% per annum.~~

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Agent in its reasonable discretion).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Third Amendment Effective Date” means February 16, 2024.

“Trademark Security Agreement” has the meaning specified therefor in the applicable Guaranty and Security Agreement.

“UCP” means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits 2007 Revision, International Chamber of Commerce Publication No. 600 and any version or revision thereof accepted by any Issuing Bank for use.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unfinanced Capital Expenditures” means Capital Expenditures (a) not financed with the proceeds of any incurrence of Indebtedness (other than the incurrence of any Revolving Loans), the proceeds of any sale or issuance of Equity Interests or equity contributions, the proceeds of any asset sale (other than the sale of Inventory in the Ordinary Course of Business) or any insurance proceeds, and (b) that are not reimbursed by a third person (excluding any Loan Party or any of its Affiliates) in the period such expenditures are made pursuant to a written agreement.

In addition, notwithstanding the above, Unfinanced Capital Expenditures for each month ended as of each date set forth below shall be deemed to be the amount set forth below for such month:

| <b>Month</b>       | <b>Unfinanced Capital Expenditures</b> |
|--------------------|----------------------------------------|
| January 31, 2020   | \$1,926,000                            |
| February 29, 2020  | \$2,090,000                            |
| March 31, 2020     | \$1,845,000                            |
| April 30, 2020     | \$1,056,000                            |
| May 31, 2020       | \$224,000                              |
| June 30, 2020      | \$1,527,000                            |
| July 31, 2020      | \$377,000                              |
| August 31, 2020    | \$450,000                              |
| September 30, 2020 | \$142,000                              |
| October 31, 2020   | \$427,000                              |
| November 30, 2020  | \$1,458,000                            |
| December 31, 2020  | \$1,142,000                            |

“United States” means the United States of America.

“Unused Line Fee” has the meaning specified therefor in Section 2.10(b) of this Agreement.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association, or any successor thereto, recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities; provided, that for purposes of notice requirements in Sections 2.3(a), 2.3(c) and 2.12(b), in each case, such day is also a Business Day

“U.S. Special Resolution Regimes” has the meaning specified therefor in Section 17.15 of this Agreement.

“Voidable Transfer” has the meaning specified therefor in Section 17.8 of this Agreement.

“Wells Fargo” means Wells Fargo Bank, National Association, a national banking association.

“Withdrawal Liability” means liability with respect to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

**1.2. Accounting Terms.** Subject to the third sentence of this Section 1.2, all accounting terms not specifically defined herein shall be construed in accordance with GAAP; provided, that if Administrative Borrower notifies Agent that Borrowers request an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date or in the application thereof on the operation of such provision (or if Agent notifies Administrative Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such Accounting Change or in the application thereof, then Agent and Borrowers agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Lenders and Borrowers after such Accounting Change conform as nearly as possible to their respective positions immediately before such Accounting Change took effect and, until any such amendments have been agreed upon and agreed to by the Required Lenders, the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred. When used herein, the term “financial statements” shall include the notes and schedules thereto. Notwithstanding anything to the contrary contained herein, (a) all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to any election under the Statement of Financial Accounting Standards Board’s Accounting Standards Codification Topic 825 (or any similar accounting principle) permitting a Person to value its financial liabilities or Indebtedness at the fair value thereof, and (b) the term “unqualified opinion” as used herein to refer to opinions or reports provided by accountants shall mean an opinion or report that is (i) unqualified, and (ii) does not include any

explanation, supplemental comment, or other comment concerning the ability of the applicable Person to continue as a going concern or concerning the scope of the audit.

**1.3. Code.** Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein; provided, that to the extent that the Code is used to define any term herein and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern.

**1.4. Construction.** Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms “includes” and “including” are not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). The words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean (a) the payment or repayment in full in immediately available funds of (i) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Loans, together with the payment of any premium applicable to the repayment of the Loans, (ii) all Lender Group Expenses that have accrued and are unpaid regardless of whether demand has been made therefor, and (iii) all fees or charges that have accrued hereunder or under any other Loan Document (including the Letter of Credit Fees and the Unused Line Fee) and are unpaid, (b) in the case of contingent reimbursement obligations with respect to Letters of Credit, providing Letter of Credit Collateralization, (c) in the case of obligations with respect to Bank Products (other than Hedge Obligations), providing Bank Product Collateralization, (d) the receipt by Agent of cash collateral in order to secure any other contingent Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys’ fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent Obligations, (e) the payment or repayment in full in immediately available funds of all other outstanding Obligations other than (i) unasserted contingent indemnification Obligations, (ii) any Bank Product Obligations (other than Hedge Obligations) that, at such time, are allowed by the applicable Bank Product Provider to remain outstanding without being required to be repaid or cash collateralized, and (iii) any Hedge Obligations, and (f) the termination of all of the

Commitments of the Lenders. Any reference herein to any Person shall be construed to include such Person's successors and assigns. In connection with any satisfaction, repayment, or payment in full of the Obligations, Agent may direct that any Letter of Credit Collateralization be paid to and maintained by each Issuing Bank, as applicable, on terms acceptable to Agent and such Issuing Bank. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record.

**1.5. Time References.** Unless the context of this Agreement or any other Loan Document clearly requires otherwise, all references to time of day refer to Central standard time or Central daylight saving time, as in effect in Dallas, Texas on such day. For purposes of the computation of a period of time from a specified date to a later specified date, unless otherwise expressly provided, the word "from" means "from and including" and the words "to" and "until" each means "to and including"; provided, that with respect to a computation of fees or interest payable to Agent or any Lender, such period shall in any event consist of at least one full day.

**1.6. Schedules and Exhibits.** All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

**1.7. Divisions.** For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

**1.8. Rates.** Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative, successor or replacement rate thereto (including any then-current Benchmark or any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 2.12(d)(iii), will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark, prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to a Borrower. Agent may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no

liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

**1.9. Exchange Rates; Currency Equivalents; Applicable Currency.**

(a) For purposes of this Agreement and the other Loan Documents, references to amounts relating to Letters of Credit shall be deemed to refer to the Dollar Equivalent thereof, unless the context requires otherwise.

(b) For purposes of this Agreement and the other Loan Documents, the Dollar Equivalent of any Letters of Credit and other references to amounts denominated in an Applicable Currency or a currency other than Dollars shall be determined in accordance with the terms of this Agreement. Such Dollar Equivalent shall become effective as of the Revaluation Date for such Letters of Credit and shall be the Dollar Equivalent employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur for such Letters of Credit. Except as otherwise expressly provided herein, the applicable amount of any currency for purposes of the Loan Documents (including for purposes of financial statements and all calculations in connection with the covenants, including the financial covenants) shall be the Dollar Equivalent thereof. Without limiting the foregoing, for purposes of determining compliance with any incurrence or expenditure tests set forth in the Loan Documents (including Sections 5, 6 and 7 of this Agreement), any amounts so incurred or expended (to the extent incurred or expended in a currency other than Dollars) shall be converted into Dollars on the basis of the exchange rates (as determined in accordance with the terms of this Agreement) as in effect on the date of such incurrence or expenditure (and to the extent the respective incurrence or expenditure test regulates the aggregate amount outstanding at any time and it is expressed in terms of Dollars, all outstanding amounts originally incurred or spent in currencies other than Dollars shall be converted into Dollars on the basis of the exchange rates (as determined in accordance with this Agreement) as in effect on the date of the most recent incurrence or expenditures made).

(c) All certificates, reports and notices delivered under this Agreement shall express any amounts, calculations or determinations in U.S. Dollars or the Dollar Equivalent.

(d) Wherever in this Agreement and the other Loan Documents in connection with the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Letter of Credit is denominated in Sterling or Euro or other Applicable Currency, such amount shall be the relevant Dollar Equivalent of such Sterling, Euro or other Applicable Currency amount (rounded to the nearest 0.5 of a unit being rounded upward) in each case as reasonably determined by Agent.

## 2. LOANS AND TERMS OF PAYMENT.

### 2.1. Revolving Loans.

(a) Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each Revolving Lender agrees (severally, not jointly or jointly and severally) to make revolving loans in Dollars (“Revolving Loans”) to the Borrowers in an amount at any one time outstanding not to exceed, at such time, *the lesser of*:

(i) such Lender’s Revolver Commitment, and

(ii) such Lender’s Pro Rata Share of an amount equal to the lesser of:

(A) the amount equal to (1) the Maximum Revolver Amount, less (2) the sum of (x) any Reserves established against the Maximum Revolver Amount (solely with respect to the Reserves contemplated by clause (b) of the definition of “Maturity Date” with respect to the 2026 Senior Notes)., plus (y) the Letter of Credit Usage at such time, plus (z) the principal amount of Swing Loans outstanding at such time, and

(B) the amount equal to (1) the Borrowing Base as of such date (based upon the most recent Borrowing Base Certificate delivered by Borrowers to Agent, as adjusted for Reserves established by Agent in accordance with Section 2.1(d)), less (2) the sum of (x) the Letter of Credit Usage at such time, plus (y) the principal amount of Swing Loans outstanding at such time.

(b) [Reserved].

(c) Amounts borrowed pursuant to this Section 2.1 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement. The outstanding principal amount of the Revolving Loans, together with interest accrued and unpaid thereon, shall constitute Obligations and shall be due and payable on the Maturity Date or, if earlier, on the date on which they otherwise become due and payable pursuant to the terms of this Agreement.

(d) Anything to the contrary in this Section 2.1 notwithstanding, Agent shall have the right (but not the obligation) at any time, in the exercise of its Permitted Discretion, to establish and increase or decrease Reserves against the Borrowing Base or the Maximum Revolver Amount (solely with respect to the Reserves contemplated by clause (b) of the definition of “Maturity Date” with respect to the 2026 Senior Notes); provided, that Agent shall notify Borrowers at least three Business Days prior to the date on which any such Reserve is to be established or increased or any change is made to the eligibility criteria set forth in the definitions of Eligible Billed Accounts, Eligible Unbilled Accounts, Eligible Progress Billings, and Eligible Inventory; provided further, that (i) no such prior notice shall be required for changes to any Reserves or Availability resulting solely by virtue of mathematical calculations of the amount of the Reserve in accordance with the methodology of calculation set forth in this

Agreement or previously utilized; (ii) no such prior notice shall be required during the continuance of any Event of Default; (iii) no such prior notice shall be required with respect to any Reserve established in respect of any Lien that has priority over Agent's Liens on the Collateral; and (iv) no Loans shall be made or Letters of Credit issued during such three Business Day period unless no Overadvance is then in existence (after giving effect to the establishment of such Reserve or the change to such eligibility criteria). The amount of any Reserve established by Agent, and any changes to the eligibility criteria set forth in the definitions of Eligible Billed Accounts, Eligible Unbilled Accounts, Eligible Progress Billings and Eligible Inventory, shall have a reasonable relationship to the event, condition, other circumstance, or fact that is the basis for such Reserve or change in eligibility and shall not be duplicative of any other Reserve established and currently maintained or eligibility criteria.

**2.2. [Reserved].**

**2.3. Borrowing Procedures and Settlements.**

(a) **Procedure for Borrowing Revolving Loans.** Each Borrowing shall be made by a written request by an Authorized Person delivered to Agent (which may be delivered through Agent's electronic platform or portal) and received by Agent no later than 1:00 p.m. (i) on the Business Day that is the requested Funding Date in the case of a request for a Swing Loan, (ii) on the Business Day that is one Business Day prior to the requested Funding Date in the case of a request for a Base Rate Loan for a Borrowing, and (iii) on the U.S. Government Securities Business Day that is three U.S. Government Securities Business Days prior to the requested Funding Date in the case of a request for a SOFR Loan, specifying (A) the amount of such Borrowing, and (B) the requested Funding Date (which shall be a Business Day); provided, that Agent may, in its sole discretion, elect to accept as timely requests that are received later than 1:00 p.m. on the applicable Business Day or U.S. Government Securities Business Day, as applicable. All Borrowing requests which are not made on-line via Agent's electronic platform or portal shall be subject to (and unless Agent elects otherwise in the exercise of its sole discretion, such Borrowings shall not be made until the completion of) Agent's authentication process (with results satisfactory to Agent) prior to the funding of any such requested Revolving Loan.

(b) **Making of Swing Loans.** In the case of a request for a Revolving Loan and so long as either (i) the aggregate amount of Swing Loans made since the last Settlement Date, minus all payments or other amounts applied to Swing Loans since the last Settlement Date, plus the amount of the requested Swing Loan does not exceed \$12,500,000 or (ii) Swing Lender, in its sole discretion, agrees to make a Swing Loan notwithstanding the foregoing limitation, Swing Lender shall make a Revolving Loan (any such Revolving Loan made by Swing Lender pursuant to this Section 2.3(b) being referred to as a "Swing Loan") available to the Borrowers on the Funding Date applicable thereto by transferring immediately available funds in the amount of such requested Borrowing to the Designated Account. Each Swing Loan shall be deemed to be a Revolving Loan hereunder and shall be subject to all the terms and conditions (including Section 3) applicable to other such Revolving Loans, except that all payments (including interest) on any Swing Loan shall be payable to the Swing Lender solely for

its own account. Subject to the provisions of Section 2.3(d)(ii), Swing Lender shall not make and Swing Lender shall not be obligated to make any Swing Loan if Swing Lender has actual knowledge that (i) one or more of the applicable conditions precedent set forth in Section 3 will not be satisfied on the requested Funding Date for the applicable Borrowing or (ii) the requested Borrowing would exceed the Availability on such Funding Date. Swing Lender shall not otherwise be required to determine whether the applicable conditions precedent set forth in Section 3 have been satisfied on the Funding Date applicable thereto prior to making any Swing Loan. The Swing Loans shall be secured by Agent's Liens, constitute Revolving Loans and Obligations, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans.

**(c) Making of Revolving Loans.**

(i) In the event that Swing Lender is not obligated to make a Swing Loan, then after receipt of a timely request for a Borrowing pursuant to Section 2.3(a)(i), Agent shall notify the Lenders by telecopy, telephone, email, or other electronic form of transmission, of the requested Borrowing; such notification to be sent on the Business Day or U.S. Government Securities Business Day, as applicable, that is (A) in the case of a Base Rate Loan, at least one Business Day prior to the requested Funding Date or (B) in the case of a SOFR Loan, prior to 1:00 p.m. at least three U.S. Government Securities Business Days prior to the requested Funding Date. If Agent has notified the Lenders of a requested Borrowing on the Business Day that is one Business Day prior to the Funding Date, then each Lender shall make the amount of such Lender's Pro Rata Share of the requested Borrowing available to Agent in immediately available funds, to Agent's Account, not later than 12:00 p.m. on the Business Day that is the requested Funding Date. After Agent's receipt of the proceeds of such Revolving Loans from the Lenders, Agent shall make the proceeds thereof available to the Borrowers on the applicable Funding Date by transferring immediately available funds to such proceeds received by Agent to the Designated Account; provided, that, subject to the provisions of Section 2.3(d)(ii), no Lender shall have an obligation to make any Revolving Loan, if (1) one or more of the applicable conditions precedent set forth in Section 3 will not be satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived, or (2) the requested Borrowing would exceed Availability on such Funding Date.

(ii) Unless Agent receives notice from a Lender prior to 11:30 a.m. on the Business Day that is the requested Funding Date relative to a requested Borrowing as to which Agent has notified the Lenders of a requested Borrowing that such Lender will not make available as and when required hereunder to Agent for the account of the Borrowers, the amount of that Lender's Pro Rata Share of the Borrowing, Agent may assume that each Lender has made or will make such amount available to Agent in immediately available funds on the Funding Date and Agent may (but shall not be so required), in reliance upon such assumption, make available to the Borrowers a corresponding amount. If, on the requested Funding Date, any Lender shall not have remitted the full amount that it is required to make available to Agent in immediately available funds and if Agent has made available to the Borrowers such amount on the

requested Funding Date, then such Lender shall make the amount of such Lender's Pro Rata Share of such Borrowing available to Agent in immediately available funds, to Agent's Account, no later than 12:00 p.m. on the Business Day that is the first Business Day after the requested Funding Date (in which case, the interest accrued on such Lender's portion of such Borrowing for the Funding Date shall be for Agent's separate account). If any Lender shall not remit the full amount that it is required to make available to Agent in immediately available funds as and when required hereby and if Agent has made available to the Borrowers such amount, then that Lender shall be obligated to immediately remit such amount to Agent, together with interest at the applicable Defaulting Lender Rate for each day until the date on which such amount is so remitted. A notice submitted by Agent to any Lender with respect to amounts owing under this Section 2.3(c)(ii) shall be conclusive, absent manifest error. If the amount that a Lender is required to remit is made available to Agent, then such payment to Agent shall constitute such Lender's Revolving Loan for all purposes of this Agreement. If such amount is not made available to Agent on the Business Day following the Funding Date, Agent will notify Administrative Borrower of such failure to fund and, upon demand by Agent, the Borrowers shall pay such amount to Agent in the Applicable Currency for Agent's account, together with interest thereon for each day elapsed since the date of such Borrowing, at a rate *per annum* equal to the interest rate applicable at the time to the applicable Revolving Loans composing such Borrowing.

**(d) Protective Advances and Optional Overadvances.**

(i) Any contrary provision of this Agreement or any other Loan Document notwithstanding (but subject to Section 2.3(d)(iv)), at any time (A) after the occurrence and during the continuance of a Default or an Event of Default, or (B) that any of the other applicable conditions precedent set forth in Section 3 are not satisfied, Agent hereby is authorized by Borrowers and the Lenders, from time to time, in Agent's sole discretion, to make Revolving Loans to, or for the benefit of, the Borrowers, in each case, on behalf of the Revolving Lenders, that Agent, in its Permitted Discretion, deems necessary or desirable (1) to preserve or protect the Collateral, or any portion thereof, or (2) to enhance the likelihood of repayment of the Obligations (other than the Bank Product Obligations) (the Revolving Loans described in this Section 2.3(d)(i) shall be referred to as "Protective Advances"). Notwithstanding the foregoing, the aggregate amount of all Protective Advances outstanding at any one time shall not exceed 10% of the Maximum Revolver Amount.

(ii) Any contrary provision of this Agreement or any other Loan Document notwithstanding, the Lenders hereby authorize Agent or the Swing Lender, as applicable, and either Agent or the Swing Lender, as applicable, may, but is not obligated to, knowingly and intentionally, continue to make Revolving Loans (including Swing Loans) to the Borrowers notwithstanding that an Overadvance exists or would be created thereby, so long as, with respect to any such Revolving Loans, (i) after giving effect to any such Revolving Loans, the outstanding Revolver Usage does not exceed the Borrowing Base by more than 10% of the Maximum Revolver Amount, and (ii) subject

to Section 2.3(d)(iv) below, after giving effect to such Revolving Loans, the sum of the outstanding Revolver Usage (except for and excluding amounts charged to the Loan Account for interest, fees, or Lender Group Expenses) does not exceed the Maximum Revolver Amount. In the event Agent obtains actual knowledge that the Revolver Usage exceeds the amounts permitted by this Section 2.3(d), regardless of the amount of, or reason for, such excess, Agent shall notify the Lenders as soon as practicable (and prior to making any (or any additional) intentional Overadvances (except for and excluding amounts charged to the applicable Loan Account for interest, fees, or Lender Group Expenses) unless Agent determines that prior notice would result in imminent harm to the Collateral or its value, in which case Agent may make such Overadvances and provide notice as promptly as practicable thereafter), and the Lenders with applicable Revolver Commitments thereupon shall, together with Agent, jointly determine the terms of arrangements that shall be implemented with the Borrowers intended to reduce, within a reasonable time, the outstanding principal amount of the applicable Revolving Loans to the Borrowers to an amount permitted by the preceding sentence. In such circumstances, if any Lender with a Revolver Commitment objects to the proposed terms of reduction or repayment of any Overadvance, the terms of reduction or repayment thereof shall be implemented according to the determination of the Required Lenders. The foregoing provisions are meant for the benefit of the Lenders and Agent and are not meant for the benefit of the Borrowers, which shall continue to be bound by the provisions of Section 2.4(e)(1).

(iii) Each Protective Advance and each Overadvance (each, an “Extraordinary Advance”) shall be deemed to be a Revolving Loan hereunder. No Extraordinary Advance shall be eligible to be a SOFR Loan. Prior to Settlement of any Extraordinary Advances, all payments with respect thereto, including interest thereon, shall be payable to Agent solely for its own account. Each Revolving Lender shall be obligated to settle with Agent as provided in Section 2.3(e) (or Section 2.3(g), as applicable) for the amount of such Lender’s Pro Rata Share of any Extraordinary Advance. The Extraordinary Advances shall be repayable on demand, secured by Agent’s Liens, constitute Obligations hereunder, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans. The provisions of this Section 2.3(d) are for the exclusive benefit of Agent, each Swing Lender, and the Lenders and are not intended to benefit the Borrowers (or any other Loan Party) in any way.

(iv) Notwithstanding anything contained in this Agreement or any other Loan Document to the contrary, no Extraordinary Advance may be made by Agent if such Extraordinary Advance would cause the aggregate Revolver Usage to exceed the Maximum Revolver Amount or any applicable Lender’s Pro Rata Share of the Revolver Usage to exceed such applicable Lender’s Revolver Commitments; provided that Agent may make Extraordinary Advances in excess of the foregoing limitations so long as such Extraordinary Advances that cause the aggregate Revolver Usage to exceed the Maximum Revolver Amount or an applicable Lender’s Pro Rata Share of the applicable Revolver Usage to exceed such applicable Lender’s Revolver Commitments are for Agent’s sole and separate account and not for the account of any Lender. No Lender

shall have an obligation to settle with Agent for such Extraordinary Advances that cause the aggregate Revolver Usage to exceed the Maximum Revolver Amount or an applicable Lender's Pro Rata Share of the applicable Revolver Usage to exceed such applicable Lender's Revolver Commitments as provided in Section 2.3(e) (or Section 2.3(g), as applicable).

(e) **Settlement.** It is agreed that each Lender's funded portion of the Revolving Loans is intended by the Lenders to equal, at all times, such Lender's Pro Rata Share of the outstanding Revolving Loans. Such agreement notwithstanding, Agent, each Swing Lender, and the other Lenders agree (which agreement shall not be for the benefit of Borrowers) that in order to facilitate the administration of this Agreement and the other Loan Documents, settlement among the Lenders as to the Revolving Loans (including Swing Loans and Extraordinary Advances) shall take place on a periodic basis in accordance with the following provisions:

(i) Agent shall request settlement ("Settlement") with the Lenders on a weekly basis, or on a more frequent basis if so determined by Agent in its sole discretion (1) on behalf of Swing Lender, with respect to the outstanding Swing Loans, (2) for itself, with respect to the outstanding Extraordinary Advances, and (3) with respect to any Loan Party's or any of their Subsidiaries' payments or other amounts received, as to each by notifying the Lenders by telecopy, telephone, or other similar form of transmission, of such requested Settlement, no later than 4:00 p.m. on the Business Day immediately prior to the date of such requested Settlement (the date of such requested Settlement being the "Settlement Date"). Such notice of a Settlement Date shall include a summary statement of the amount of outstanding Revolving Loans (including Swing Loans and Extraordinary Advances) for the account of the Borrowers for the period since the prior Settlement Date. Subject to the terms and conditions contained herein (including Section 2.3(g)): (y) if the amount of the Revolving Loans (including Swing Loans and Extraordinary Advances) made by a Lender that is not a Defaulting Lender exceeds such Lender's Pro Rata Share of such Revolving Loans (including Swing Loans and Extraordinary Advances) as of a Settlement Date, then Agent shall, by no later than 2:00 p.m. on the Settlement Date, transfer in immediately available funds to a Deposit Account of such Lender (as such Lender may designate), an amount such that each such Lender shall, upon receipt of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including, in each case, Swing Loans and Extraordinary Advances) and, (z) if the amount of the Revolving Loans (including Swing Loans and Extraordinary Advances) made by a Lender is less than such Lender's Pro Rata Share of the Revolving Loans (including Swing Loans and Extraordinary Advances) as of a Settlement Date, such Lender shall no later than 2:00 p.m. on the Settlement Date transfer in immediately available funds to Agent's Account, an amount such that each such Lender shall, upon transfer of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including Swing Loans and Extraordinary Advances). Such amounts made available to Agent under clause (z) of the immediately preceding sentence shall be applied against the amounts of the Swing Loans or Extraordinary Advances and, together with the portion of such Swing Loans or

Extraordinary Advances representing the Swing Lender's Pro Rata Share thereof, shall constitute Revolving Loans of such Lenders. If any such amount is not made available to Agent by any Lender on the Settlement Date applicable thereto to the extent required by the terms hereof, Agent shall be entitled to recover for its account such amount on demand from such Lender together with interest thereon at the Defaulting Lender Rate.

(ii) In determining whether a Lender's balance of the Revolving Loans (including Swing Loans and Extraordinary Advances) is less than, equal to, or greater than such Lender's Pro Rata Share of the Revolving Loans (including Swing Loans and Extraordinary Advances) as of a Settlement Date, Agent shall, as part of the relevant Settlement, apply to such balance the portion of payments applicable to such Obligations actually received in good funds by Agent with respect to principal, interest, fees payable by Borrowers and allocable to the Lenders hereunder, and proceeds of Collateral.

(iii) Between Settlement Dates, Agent, to the extent Extraordinary Advances or Swing Loans are outstanding, may pay over to Agent or Swing Lender, as applicable, any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Revolving Loans, for application to the Extraordinary Advances or Swing Loans. Between Settlement Dates, Agent, to the extent no Extraordinary Advances or Swing Loans are outstanding, may pay over to Swing Lender any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Revolving Loans, for application to Swing Lender's Pro Rata Share of the Revolving Loans. If, as of any Settlement Date, payments or other amounts of the Loan Parties or their Subsidiaries received since the then immediately preceding Settlement Date have been applied to Swing Lender's Pro Rata Share of the Revolving Loans other than to Swing Loans, as provided for in the previous sentence, Swing Lender shall pay to Agent for the accounts of the Lenders, and Agent shall pay to the Lenders (other than a Defaulting Lender if Agent has implemented the provisions of Section 2.3(g)), to be applied to the outstanding Revolving Loans of such Lenders, an amount such that each such Lender shall, upon receipt of such amount, have, as of such Settlement Date, its Pro Rata Share of the Revolving Loans. During the period between Settlement Dates, Swing Lender with respect to Swing Loans, Agent with respect to Extraordinary Advances, and each Lender with respect to the Revolving Loans other than Swing Loans and Extraordinary Advances, shall be entitled to interest at the applicable rate or rates payable under this Agreement on the daily amount of funds employed by Swing Lender, Agent, or the Lenders, as applicable.

(iv) Anything in this Section 2.3(e) to the contrary notwithstanding, in the event that a Lender is a Defaulting Lender, Agent shall be entitled to refrain from remitting settlement amounts to the Defaulting Lender and, instead, shall be entitled to elect to implement the provisions set forth in Section 2.3(g).

(f) **Notation.** Consistent with Section 13.1(h), Agent, as a non-fiduciary agent for Borrowers, shall maintain a register showing the principal amount and stated interest of

the Revolving Loans owing to each Lender, including the Swing Loans owing to the Swing Lender, and Extraordinary Advances owing to Agent, and the interests therein of each Lender, from time to time and such register shall, absent manifest error, conclusively be presumed to be correct and accurate.

**(g) Defaulting Lenders.**

(i) Notwithstanding the provisions of Section 2.4(b)(ii), Agent shall not be obligated to transfer to a Defaulting Lender any payments made by or on behalf of Borrowers to Agent for the Defaulting Lender's benefit or any proceeds of Collateral that would otherwise be remitted hereunder to the Defaulting Lender, and, in the absence of such transfer to the Defaulting Lender, Agent shall transfer any such payments (A) first, to Agent, to the extent of any Extraordinary Advances that were made by Agent and that were required to be, but were not, paid by the Defaulting Lender, (B) second, to Swing Lender to the extent of any Swing Loans that were made by Swing Lender and that were required to be, but were not, paid by the Defaulting Lender, (C) third, to the applicable Issuing Bank, to the extent of the portion of a Letter of Credit Disbursement that was required to be, but was not, paid by the Defaulting Lender, (D) fourth, to each Non-Defaulting Lender ratably in accordance with their Revolver Commitments (but, in each case, only to the extent that such Defaulting Lender's portion of a Revolving Loan (or other funding obligation) was funded by such other Non-Defaulting Lender), (E) fifth, in Agent's sole discretion, to a suspense account maintained by Agent, the proceeds of which shall be retained by Agent and may be made available to be re-advanced to or for the benefit of Borrowers (upon the request of Borrowers and subject to the conditions set forth in Section 3.2) as if such Defaulting Lender had made its portion of Revolving Loans (or other funding obligations) hereunder, (F) sixth, from and after the date on which all other Obligations have been paid in full, to such Defaulting Lender in accordance with tier (L) of Section 2.4(b)(iii). Subject to the foregoing, Agent may hold and, in its discretion, re-lend to Borrowers for the account of such Defaulting Lender the amount of all such payments received and retained by Agent for the account of such Defaulting Lender. Solely for the purposes of voting or consenting to matters with respect to the Loan Documents (including the calculation of Pro Rata Share in connection therewith) and for the purpose of calculating the fees payable under Section 2.10(b), such Defaulting Lender shall be deemed not to be a "Lender" and such Lender's Commitment shall be deemed to be zero; provided, that the foregoing shall not apply to any of the matters governed by Section 14.1(a)(i) through (iii). The provisions of this Section 2.3(g) shall remain effective with respect to such Defaulting Lender until the earlier of (y) the date on which all of the Non-Defaulting Lenders, Agent, Issuing Banks, and Borrowers shall have waived, in writing, the application of this Section 2.3(g) to such Defaulting Lender, or (z) the date on which such Defaulting Lender makes payment of all amounts that it was obligated to fund hereunder, pays to Agent all amounts owing by Defaulting Lender in respect of the amounts that it was obligated to fund hereunder, and, if requested by Agent, provides adequate assurance of its ability to perform its future obligations hereunder (on which earlier date, so long as no Event of Default has occurred and is continuing, any remaining cash collateral held by Agent pursuant to Section 2.3(g)(ii)).

shall be released to Borrowers). The operation of this Section 2.3(g) shall not be construed to increase or otherwise affect the Commitment of any Lender, to relieve or excuse the performance by such Defaulting Lender or any other Lender of its duties and obligations hereunder, or to relieve or excuse the performance by any Borrower of its duties and obligations hereunder to Agent, Issuing Banks, or to the Lenders other than such Defaulting Lender. Any failure by a Defaulting Lender to fund amounts that it was obligated to fund hereunder shall constitute a material breach by such Defaulting Lender of this Agreement and shall entitle Borrowers, at their option, upon written notice to Agent, to arrange for a substitute Lender to assume the Commitment of such Defaulting Lender and the Commitment of any Affiliate of such Defaulting Lender, such substitute Lender to be reasonably acceptable to Agent. In connection with the arrangement of such a substitute Lender, the Defaulting Lenders shall have no right to refuse to be replaced hereunder, and agree to execute and deliver a completed form of Assignment and Acceptance in favor of the substitute Lender (and agree that they shall be deemed to have executed and delivered such document if they fail to do so) subject only to being paid its share of the outstanding Obligations (other than Bank Product Obligations, but including (1) all interest, fees, and other amounts that may be due and payable in respect thereof, and (2) an assumption of its Pro Rata Share of its participation in the Letters of Credit); provided, that any such assumption of the Commitment of such Defaulting Lenders shall not be deemed to constitute a waiver of any of the Lender Groups' or Borrowers' rights or remedies against any such Defaulting Lender arising out of or in relation to such failure to fund. In the event of a direct conflict between the priority provisions of this Section 2.3(g) and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.3(g) shall control and govern.

(ii) If any Swing Loan or Letter of Credit is outstanding at the time that a Lender becomes a Defaulting Lender then:

(A) such Defaulting Lender's Swing Loan Exposure and Letter of Credit Exposure shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent (x) the sum of all Non-Defaulting Lenders' Pro Rata Share of Revolver Usage plus such Defaulting Lender's Swing Loan Exposure and Letter of Credit Exposure does not exceed the amount by which the total of all Non-Defaulting Lenders' Revolver Commitments exceed the Revolver Usage and (y) the conditions set forth in Section 3.2 are satisfied at such time;

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, the Borrowers shall within one Business Day following notice by Agent (x) first, prepay such Defaulting Lender's applicable Swing Loan Exposure (after giving effect to any partial reallocation pursuant to clause (A) above), and (y) second, cash collateralize such Defaulting Lender's

applicable Letter of Credit Exposure (after giving effect to any partial reallocation pursuant to clause (A) above), pursuant to a cash collateral agreement to be entered into in form and substance reasonably satisfactory to Agent and Borrowers, for so long as such Letter of Credit Exposure is outstanding; provided, that Borrowers shall not be obligated to cash collateralize any Defaulting Lender's Letter of Credit Exposure if such Defaulting Lender is also an Issuing Bank;

(C) if the Borrowers cash collateralizes any portion of such Defaulting Lender's Letter of Credit Exposure pursuant to this Section 2.3(g)(ii), Borrowers shall not be required to pay any Letter of Credit Fees to Agent for the account of such Defaulting Lender pursuant to Section 2.6(b) with respect to such cash collateralized portion of such Defaulting Lender's Letter of Credit Exposure during the period such Letter of Credit Exposure is cash collateralized;

(D) to the extent the Letter of Credit Exposure of the Non-Defaulting Lenders is reallocated pursuant to this Section 2.3(g)(ii), then the Letter of Credit Fees payable to the Non-Defaulting Lenders pursuant to Section 2.6(b) shall be adjusted in accordance with such Non-Defaulting Lenders' Letter of Credit Exposure;

(E) to the extent any Defaulting Lender's Letter of Credit Exposure is neither cash collateralized nor reallocated pursuant to this Section 2.3(g)(ii), then, without prejudice to any rights or remedies of any Issuing Bank or any Lender hereunder, all Letter of Credit Fees that would have otherwise been payable to such Defaulting Lender under Section 2.6(b) with respect to such portion of such Letter of Credit Exposure shall instead be payable to the applicable Issuing Bank until such portion of such Defaulting Lender's Letter of Credit Exposure is cash collateralized or reallocated;

(F) so long as any Lender is a Defaulting Lender, Swing Lender shall not be required to make any Swing Loan and no Issuing Bank shall be required to issue, amend, or increase any Letter of Credit, in each case, to the extent (x) the Defaulting Lender's Pro Rata Share of such Swing Loans or Letter of Credit cannot be reallocated pursuant to this Section 2.3(g)(ii) or (y) the Swing Lender or applicable Issuing Bank, as applicable, has not otherwise entered into arrangements reasonably satisfactory to the Swing Lender or applicable Issuing Bank, as applicable, and the Borrowers to eliminate Swing Lender's or such Issuing Bank's risk with respect to the Defaulting Lender's participation in Swing Loans or Letters of Credit; and

(G) Agent may release any cash collateral provided by Borrowers pursuant to this Section 2.3(g)(ii) to the applicable Issuing Bank and such Issuing Bank may apply any such cash collateral to the payment of such Defaulting Lender's Pro Rata Share of any Letter of Credit Disbursement that is not reimbursed by the applicable Borrowers pursuant to Sections 2.11(d). Subject to Section 17.14, no reallocation hereunder shall constitute a waiver or release of

any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(iii) If any Lender with a Revolver Commitment is a Defaulting Lender, then any Affiliate of such Lender with a Revolver Commitment shall be deemed to be a Defaulting Lender, and if any Lender with any Revolver Commitment is a Defaulting Lender, then such Lender shall also be a Defaulting Lender with respect to all of such Lender's other Revolver Commitments.

(h) **Independent Obligations.** All Revolving Loans (other than Swing Loans and Extraordinary Advances) shall be made by the applicable Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (i) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make any Revolving Loan (or other extension of credit) hereunder, nor shall any Commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (ii) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

## **2.4. Payments; Reductions of Commitments; Prepayments.**

### **(a) Payments by Borrowers.**

(i) Except as otherwise expressly provided herein, all payments by the Borrowers shall be made to Agent's Account for the account of the Lender Group and shall be made in immediately available funds, no later than 3:30 p.m. on the date specified herein; provided that, for the avoidance of doubt, any payments deposited into a Controlled Account shall be deemed not to be received by Agent on any Business Day unless immediately available funds have been credited to Agent's Account prior to 3:30 p.m. on such Business Day. Any payment received by Agent in immediately available funds in Agent's Account later than 3:30 p.m. shall be deemed to have been received (unless Agent, in its sole discretion, elects to credit it on the date received) on the following Business Day and any applicable interest or fee shall continue to accrue until such following Business Day.

(ii) Unless Agent receives notice from Administrative Borrower prior to the date on which any payment is due to any of the Lenders that Borrowers will not make such payment in full as and when required, Agent may assume that Borrowers have made (or will make) such payment in full to Agent on such date in immediately available funds and Agent may (but shall not be so required), in reliance upon such assumption, distribute to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent Borrowers do not make such payment in full to Agent on the date when due, each Lender severally shall repay to Agent on demand such amount distributed to such Lender, together with interest thereon at the Defaulting Lender Rate for each day from the date such amount is distributed to such Lender until the date repaid.

**(b) Apportionment and Application.**

(i) So long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, all principal and interest payments received by Agent shall be apportioned ratably among the Lenders (according to the unpaid principal balance of the Obligations to which such payments relate held by each Lender) and all payments of fees and expenses received by Agent (other than fees or expenses that are for Agent's separate account or for the separate account of the applicable Issuing Bank) shall be apportioned ratably among the Lenders having a Pro Rata Share of the type of Commitment or Obligation to which a particular fee or expense relates.

(ii) Subject to Section 2.4(b)(v), Section 2.4(d)(ii), and Section 2.4(e), all payments to be made hereunder by Borrowers shall be remitted to Agent and all such payments, and all proceeds of Collateral received by Agent, shall be applied, so long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, *first*, to reduce the balance of the Revolving Loans outstanding and, thereafter, Borrowers (to be wired to the Designated Account) or such other Person entitled thereto under applicable law.

(iii) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, all payments remitted to Agent and all proceeds of Collateral received by Agent shall be applied as follows:

(A) first, ratably, to pay any Lender Group Expenses (including cost or expense reimbursements) owing by the Loan Parties, indemnities then due to Agent under the Loan Documents constituting, or in respect of, the Obligations, and interest and principal on Extraordinary Advances that are held solely by Agent pursuant to the terms of Section 2.4(d)(iv), until paid in full,

(B) second, to pay any fees or premiums then due to Agent under the Loan Documents, until paid in full,

(C) third, to pay interest due in respect of all Protective Advances, until paid in full,

(D) fourth, to pay the principal of all Protective Advances, until paid in full,

(E) fifth, ratably, to pay any Lender Group Expenses (including cost or expense reimbursements) owing by the Loan Parties and indemnities then due to any of the Lenders under the Loan Documents, until paid in full,

(F) sixth, ratably, to pay any fees or premiums then due to any of the Lenders under the Loan Documents, until paid in full,

- (G) seventh, to pay interest accrued in respect of the Swing Loans, until paid in full,
- (H) eighth, to pay the principal of all Swing Loans, until paid in full,
- (I) ninth, ratably, to pay interest accrued in respect of the Revolving Loans (other than Protective Advances and Swing Loans), until paid in full,
- (J) tenth, ratably
  - i. to pay the principal of all Revolving Loans (other than Protective Advances and Swing Loans), until paid in full,
  - ii. to Agent, to be held by Agent, for the benefit of each Issuing Bank (and for the ratable benefit of each of the Lenders that have an obligation to pay to Agent, for the account of each Issuing Bank, a share of each Letter of Credit Disbursement), as cash collateral in an amount up to 105% of the Letter of Credit Usage denominated in Dollars and 110% of the Letter of Credit Usage denominated in any other currency (to the extent permitted by applicable law, such cash collateral shall be applied to the reimbursement of any Letter of Credit Disbursement as and when such disbursement occurs and, if a Letter of Credit expires undrawn, the cash collateral held by Agent in respect of such Letter of Credit shall, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.4(b)(iii), beginning with tier (A) hereof), and
  - iii. up to the lesser of (y) the amount (after taking into account any amounts previously paid pursuant to this clause iii. during the continuation of the applicable Application Event) of the most recently established Bank Product Reserve with respect to the Loan Parties and their Subsidiaries, which amount was established prior to the occurrence of, and not in contemplation of, the subject Application Event, and (z) \$50,000,000 (after taking into account any amounts previously paid pursuant to this clause iii. during the continuation of the applicable Application Event), to (I) the Bank Product Providers based upon amounts then certified by each applicable Bank Product Provider to Agent (in form and substance satisfactory to Agent) to be due and payable to such Bank Product Provider on account of Bank Product Obligations (but not in excess of the Bank Product Reserve established for the Bank Product Obligations of such Bank Product Provider), and (II) with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Bank Product Provider and applied by such Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Bank Product Obligations owed to the applicable Bank Product Provider as and when such amounts first become due and payable) and, if and at such time as all

such Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Bank Product Obligations shall be reapplied pursuant to this Section 2.4(b)(iii), beginning with tier (A) hereof,

(K) eleventh, to pay any other Obligations other than Obligations owed to Defaulting Lenders (including being paid, ratably, to the Bank Product Providers on account of all amounts then due and payable in respect of Bank Product Obligations), with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Bank Product Provider and applied by such Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Bank Product Obligations owed to the applicable Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Bank Product Obligations shall be reapplied pursuant to this Section 2.4(b)(iii), beginning with tier (A) hereof),

(L) twelfth, ratably to pay any Obligations owed to Defaulting Lenders,

(M) thirteenth, to the Borrowers (to be wired to the Designated Account) or such other Person entitled thereto under applicable law.

(iv) Agent promptly shall distribute to each Lender, pursuant to the applicable wire instructions received from each Lender in writing, such funds as it may be entitled to receive, subject to a Settlement delay as provided in Section 2.3(e).

(v) In each instance, so long as no Application Event has occurred and is continuing, Section 2.4(b)(ii) shall not apply to any payment made by Borrowers to Agent and specified by Borrowers to be for the payment of specific Obligations then due and payable (or prepayable) under any provision of this Agreement or any other Loan Document.

(vi) For purposes of Section 2.4(b)(iii), “paid in full” of a type of Obligation means payment in cash or immediately available funds of all amounts owing on account of such type of Obligation, including interest accrued after the commencement of any Insolvency Proceeding, default interest, interest on interest, and expense reimbursements, irrespective of whether any of the foregoing would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(vii) In the event of a direct conflict between the priority provisions of this Section 2.4 and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, if the conflict

relates to the provisions of Section 2.3(g) and this Section 2.4, then the provisions of Section 2.3(g) shall control and govern, and if otherwise, then the terms and provisions of this Section 2.4 shall control and govern.

(c) **Reduction of Revolver Commitments.** The Revolver Commitments shall terminate on the Maturity Date or earlier termination thereof pursuant to the terms of this Agreement. Borrowers may reduce the Revolver Commitments, without premium or penalty, to an amount (which may be zero) not less than the sum of (A) the Revolver Usage as of such date, *plus* (B) the principal amount of all Revolving Loans not yet made as to which a request has been given by Borrowers under Section 2.3(a) which has not been permitted by Agent to be revoked by the Borrowers, *plus* (C) the amount of all Letters of Credit not yet issued as to which a request has been given by Borrowers pursuant to Section 2.11(a). Each such reduction shall be in an amount which is not less than \$10,000,000 (unless the Revolver Commitments are being reduced to zero and the amount of the Revolver Commitments in effect immediately prior to such reduction are less than \$10,000,000), shall be made by providing not less than ten Business Days prior written notice to Agent, and shall be irrevocable. The Revolver Commitments, once reduced, may not be increased. Each such reduction of the Revolver Commitments shall reduce the Revolver Commitments of each Lender proportionately in accordance with its ratable share thereof. In connection with any reduction in the Revolver Commitments prior to the Maturity Date, if any Loan Party or any of its Subsidiaries owns any Margin Stock, Borrowers shall deliver to Agent an updated Form U-1 (with sufficient additional originals thereof for each Lender), duly executed and delivered by the Borrowers, together with such other documentation as Agent shall reasonably request, in order to enable Agent and the Lenders to comply with any of the requirements under Regulations T, U or X of the Federal Reserve Board.

(d) **Optional Prepayments of Revolving Loans.** The Borrowers may prepay the principal of any Revolving Loan at any time in whole or in part, without premium or penalty.

(e) **Mandatory Prepayments of Revolving Loans.**

(i) **Borrowing Base.** If, at any time, (A) the Revolver Usage on such date exceeds (B) the lesser of (x) the Borrowing Base reflected in the Borrowing Base Certificate most recently delivered by Borrowers to Agent and (y) the Maximum Revolver Amount, in all cases as adjusted for Reserves established by Agent in accordance with Section 2.1(d), then the Borrowers shall promptly (but in any event, within one Business Day) prepay the Obligations in accordance with Section 2.4(f) in an aggregate amount equal to the amount of such excess.

(ii) **Cash Balances.** If, at any time Loans are outstanding, either (A) Revolver Usage is less than \$25,000,000 and the Consolidated Cash Balance exceeds \$30,000,000, or (B) Revolver Usage is greater than or equal to \$25,000,000 and the Consolidated Cash Balance exceeds \$15,000,000, then, in each case, the Borrowers shall, on the next Business Day thereafter, prepay the Loans in an aggregate principal amount equal to such excess.

(iii) **Dispositions.** Within one Business Day after the date of receipt by any Loan Party or any of its Domestic Subsidiaries of the Net Cash Proceeds of any voluntary or involuntary sale or disposition of Real Property of any Loan Party or any of its Domestic Subsidiaries (including Net Cash Proceeds of insurance or arising from casualty losses or condemnations and payments in lieu thereof) during a Cash Dominion Period, Borrowers shall prepay the outstanding principal amount of the Obligations in accordance with Section 2.4(f)(ii) in an amount equal to 100% of such Net Cash Proceeds received by such Person in connection with such sales or dispositions; provided, that so long as (A) no Default or Event of Default shall have occurred and is continuing or would result therefrom, (B) Borrowers shall have given Agent prior written notice of Borrowers' intention to apply such monies to the costs of replacement of the properties or assets that are the subject of such sale or disposition, (C) the monies are held in a Deposit Account in which Agent has a perfected first-priority security interest, and (D) such Loan Party or its Domestic Subsidiary, as applicable, completes such replacement, purchase, or construction within 180 days after the initial receipt of such monies, then the Loan Party or such Loan Party's Domestic Subsidiary whose assets were the subject of such disposition shall have the option to apply such monies to the costs of replacement of the assets that are the subject of such sale or disposition unless and to the extent that such applicable period shall have expired without such replacement, purchase, or construction being made or completed, in which case, any amounts remaining in the Deposit Account referred to in clause (C) above shall be paid to Agent and applied in accordance with Section 2.4(f)(ii); provided, that no Loan Party nor any of its Domestic Subsidiaries shall have the right to use such Net Cash Proceeds to make such replacements, purchases, or construction in excess of \$5,000,000 in any given fiscal year. Nothing contained in this Section 2.4(e)(iii) shall permit any Loan Party or any of its Subsidiaries to sell or otherwise dispose of any assets other than in accordance with Section 6.4.

(f) **Application of Payments.** Each prepayment pursuant to Sections 2.4(e)(i), (e)(ii), or 2.4(e)(iii) shall, (1) so long as no Application Event shall have occurred and be continuing, be applied, first, to the outstanding principal amount of the Revolving Loans until paid in full, and second, to cash collateralize the Letters of Credit, in an amount equal to 105% for Letters of Credit denominated in Dollars and 110% for Letters of Credit denominated in any other currency, of the then outstanding Letter of Credit Usage and (2) if an Application Event shall have occurred and be continuing, be applied in the manner set forth in Section 2.4(b)(iii).

## **2.5. Promise to Pay; Promissory Notes.**

(a) Borrowers agree to pay the Lender Group Expenses on the earlier of (i) the first day of the month following the date on which the applicable Lender Group Expenses were first incurred or (ii) the date on which demand therefor is made by Agent (it being acknowledged and agreed that any charging of such costs, expenses or Lender Group Expenses to the Loan Account pursuant to the provisions of Section 2.6(d) shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (ii)) (provided, however, that Agent shall endeavor to provide advance notice (and an invoice) for all Lender Group Expenses in respect of or constituting costs incurred in connection with field examinations, appraisals, and legal fees

and costs, but the Agent's failure to provide such notice (or invoice) shall not limit Agent's rights under this Section 2.5(a)). Borrowers promise to pay all of the Obligations (including principal, interest, premiums, if any, fees, costs, and expenses (including Lender Group Expenses)) in full on the Maturity Date or, if earlier, on the date on which the Obligations (other than the Bank Product Obligations) become due and payable pursuant to the terms of this Agreement. Borrowers agree that their obligations contained in the first sentence of this Section 2.5(a) shall survive payment or satisfaction in full of all other Obligations.

(b) Any Lender may request that any portion of its Commitments or the Loans made by it be evidenced by one or more promissory notes. In such event, the Borrowers shall execute and deliver to such Lender the requested promissory notes payable to the order of such Lender in a form furnished by Agent and reasonably satisfactory to Administrative Borrower. Thereafter, the portion of the Commitments and Loans evidenced by such promissory notes and interest thereon shall at all times be represented by one or more promissory notes in such form payable to the order of the payee named therein.

## **2.6. Interest Rates and Letter of Credit Fee: Rates, Payments, and Calculations.**

(a) **Interest Rates.** Except as provided in Section 2.6(c) and Section 2.12(d), all Obligations (except for undrawn Letters of Credit) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest as follows:

(i) if the relevant Obligation is a SOFR Loan, at a *per annum* rate equal to Adjusted Term SOFR plus the SOFR Margin, and

(ii) otherwise, at a *per annum* rate equal to the Base Rate plus the Base Rate Margin.

(b) **Letter of Credit Fee.** Borrowers shall pay Agent (for the ratable benefit of the Revolving Lenders), a Letter of Credit fee (the "Letter of Credit Fee") (which fee shall be in addition to the fronting fees and commissions, other fees, charges and expenses set forth in Section 2.11(k)) that shall accrue at a *per annum* rate equal to the SOFR Margin, in each case times the average amount of the Letter of Credit Usage during the immediately preceding month.

(c) **Default Rate.** (i) Automatically upon the occurrence and during the continuation of an Event of Default under Section 8.4 or 8.5 and (ii) upon the occurrence and during the continuation of any other Event of Default (other than an Event of Default under Section 8.4 or 8.5), at the direction of Agent or the Required Lenders, and upon written notice by Agent to Borrowers of such direction (provided, that such notice shall not be required for any Event of Default under Section 8.1), (A) all Loans and all Obligations (except for undrawn Letters of Credit) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest at a *per annum* rate equal to two percentage points above the *per annum* rate otherwise applicable thereunder and (B) the Letter of Credit Fee shall be increased to two percentage points above the *per annum* rate otherwise applicable hereunder.

(d) **Payment.** Except to the extent provided to the contrary in Section 2.10, Section 2.11(k) or Section 2.12(a), (i) all interest and all other fees payable hereunder or under any of the other Loan Documents (other than Letter of Credit Fees) shall be due and payable, in arrears, on the first day of each month, (ii) all Letter of Credit Fees payable hereunder, and all fronting fees and all commissions, other fees, charges and expenses provided for in Section 2.11(k) shall be due and payable, in arrears, on the first Business Day of each month, and (iii) all costs and expenses payable hereunder or under any of the other Loan Documents, and all other Lender Group Expenses shall be due and payable on (x) with respect to Lender Group Expenses outstanding as of the Closing Date, the Closing Date, and (y) otherwise, the earlier of (A) the first day of the month following the date on which the applicable costs, expenses, or Lender Group Expenses were first incurred, or (B) the date on which demand therefor is made by Agent (it being acknowledged and agreed that any charging of such costs, expenses or Lender Group Expenses to the Loan Account pursuant to the provisions of the following sentence shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (y)). The Borrowers hereby authorize Agent, from time to time without prior notice to Borrowers, to charge to the Loan Account (A) on the first day of each month, all interest accrued during the prior month on the Revolving Loans hereunder, (B) on the first Business Day of each month, all Letter of Credit Fees accrued or chargeable hereunder during the prior month, (C) as and when incurred or accrued, all fees and costs provided for in Section 2.10(a) or (c), (D) on the first day of each month, the Unused Line Fee accrued during the prior month pursuant to Section 2.10(b), (E) as and when due and payable, all other fees payable hereunder or under any of the other Loan Documents, (F) on the Closing Date and thereafter as and when incurred or accrued, all other Lender Group Expenses (provided, however, that Agent shall endeavor to provide advance notice (and an invoice) for all Lender Group Expenses in respect of or constituting costs incurred in connection with field examinations, appraisals, and legal fees and costs, but the Agent's failure to provide such notice (or invoice) shall not limit Agent's rights under this Section 2.6(d)), and (G) as and when due and payable all other payment obligations payable under any Loan Document or any Bank Product Agreement (including any amounts due and payable to the Bank Product Providers in respect of Bank Products). All amounts (including interest, fees, costs, expenses, Lender Group Expenses, or other amounts payable hereunder or under any other Loan Document or under any Bank Product Agreement) charged to the Loan Account shall thereupon constitute Revolving Loans hereunder, shall constitute Obligations hereunder, and shall initially accrue interest at the rate then applicable to Revolving Loans that are Base Rate Loans (unless and until converted into SOFR Loans in accordance with the terms of this Agreement).

(e) **Computation.** All interest and fees chargeable under the Loan Documents shall be computed on the basis of a 360 day year, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue. In the event the Base Rate is changed from time to time hereafter, the rates of interest hereunder based upon the Base Rate automatically and immediately shall be increased or decreased by an amount equal to such change in the Base Rate.

(f) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement, plus any other amounts paid in

connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrowers and the Lender Group, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, that anything contained herein to the contrary notwithstanding, if such rate or rates of interest or manner of payment exceeds the maximum allowable under applicable law, then, *ipso facto*, as of the date of this Agreement, Borrowers are and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrowers in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

(g) **Term SOFR Conforming Changes.** In connection with the use or administration of Term SOFR, Agent will have the right (in consultation with the Administrative Borrower) to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. Agent will promptly notify Administrative Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

**2.7. Crediting Payments.** The receipt of any payment item by Agent shall not be required to be considered a payment on account unless such payment item is a wire transfer of immediately available funds made to Agent's Account or unless and until such payment item is honored when presented for payment. Should any payment item not be honored when presented for payment, then Borrowers shall be deemed not to have made such payment. Anything to the contrary contained herein notwithstanding, any payment item shall be deemed received by Agent only if it is received into Agent's Account on a Business Day on or before 3:30 p.m. If any payment item is received into Agent's Account on a non-Business Day or after 3:30 p.m. on a Business Day (unless Agent, in its sole discretion, elects to credit it on the date received), it shall be deemed to have been received by Agent as of the opening of business on the immediately following Business Day.

**2.8. Designated Account.** Agent is authorized to make the Revolving Loans and each Issuing Bank is authorized to issue Letters of Credit, under this Agreement based upon telephonic or other instructions received from anyone purporting to be an Authorized Person or, without instructions, if pursuant to Section 2.6(d). The Borrowers agree to establish and maintain the Designated Account. The Designated Account shall be for the purpose of receiving the proceeds of the Revolving Loans requested by the Borrowers. Unless otherwise agreed by Agent and Borrowers, any Revolving Loan requested by Borrowers and made by Agent or the Lenders hereunder shall be made to the Designated Account.

**2.9. Maintenance of Loan Account; Statements of Obligations.** Agent shall maintain an account on its books in the name of Borrowers (the "Loan Account") on which Borrowers will be charged with all Revolver Usage and with all other payment Obligations hereunder or under the other Loan Documents, including, accrued interest, fees and expenses, and Lender Group Expenses. In accordance with Section 2.7, the Loan Account will be credited

with all payments received by Agent from Borrowers or for the Borrowers' account. Agent shall make available to Borrowers monthly statements regarding the Loan Account, including the principal amount of the Revolving Loans, interest accrued hereunder, fees accrued or charged hereunder or under the other Loan Documents, and a summary itemization of all charges and expenses constituting Lender Group Expenses accrued hereunder or under the other Loan Documents, and each such statement, absent manifest error, shall be conclusively presumed to be correct and accurate and constitute an account stated between Borrowers and the Lender Group unless, within 30 days after Agent first makes such a statement available to Borrowers, Borrowers shall deliver to Agent written objection thereto describing the error or errors contained in such statement.

#### **2.10. Fees.**

(a) **Agent Fees.** Borrowers shall pay to Agent, as and when due and payable under the terms of the Fee Letter, the fees set forth in the Fee Letter.

(b) **Unused Line Fee.** Borrowers shall pay to Agent, for the ratable amount of the Revolving Lenders, an unused line fee (the "Unused Line Fee") in an amount equal to the Applicable Unused Line Fee Percentage *per annum* times the result of (i) the aggregate amount of the Revolver Commitments, *less* (ii) the Average Revolver Usage during the immediately preceding month (or portion thereof), which Unused Line Fee shall be due and payable, in arrears, on the first day of each month from and after the Closing Date up to the first day of the month prior to the date on which the Obligations are paid in full and on the date on which the Obligations are paid in full.

(c) **Field Examination and Other Fees.** Subject to any limitations set forth in Section 5.7(c), Borrowers shall pay to Agent, field examination, appraisal, and valuation fees and charges, as and when incurred or chargeable, as follows (i) a fee of \$1,000 per day, per examiner, *plus* out-of-pocket expenses (including travel, meals, and lodging) for each field examination of any Loan Party or its Subsidiaries performed by or on behalf of Agent, and (ii) the fees, charges or expenses paid or incurred by Agent if it elects to employ the services of one or more third Persons to appraise the Collateral, or any portion thereof.

#### **2.11. Letters of Credit.**

(a) Subject to the terms and conditions of this Agreement, upon the request of Borrowers made in accordance herewith, and prior to the Maturity Date, an Issuing Bank agrees to issue a requested standby Letter of Credit or a sight commercial Letter of Credit for the account of Borrowers. By submitting a request to an Issuing Bank for the issuance of a Letter of Credit for its account, Borrowers shall be deemed to have requested that such Issuing Bank issue the requested Letter of Credit for the account of Borrowers. Each request for the issuance of a Letter of Credit, or the amendment or extension of any outstanding Letter of Credit, shall be (i) irrevocable and made in writing by an Authorized Person, (ii) delivered to the Agent and the applicable Issuing Bank via telefacsimile or other electronic method of transmission reasonably acceptable to Agent and such Issuing Bank and reasonably in advance of the requested date of issuance, amendment or extension, and (iii) subject to the applicable Issuing Bank's

authentication procedures with results satisfactory to such Issuing Bank. Each such request shall be in form and substance reasonably satisfactory to the Agent and the applicable Issuing Bank and (i) shall specify (A) the amount and Applicable Currency of such Letter of Credit, (B) the date of issuance, amendment or extension of such Letter of Credit, (C) the proposed expiration date of such Letter of Credit, (D) the name and address of the beneficiary of the Letter of Credit, and (E) such other information (including, the conditions to drawing, and, in the case of an amendment or extension, identification of the Letter of Credit to be so amended or extended) as shall be necessary to prepare, amend, renew, or extend such Letter of Credit, and (ii) shall be accompanied by such Issuer Documents as Agent or the applicable Issuing Bank may request or require, to the extent that such requests or requirements are consistent with the Issuer Documents that such Issuing Bank generally requests for Letters of Credit in similar circumstances. The applicable Issuing Bank's records of the content of any such request will be conclusive. Anything contained herein to the contrary notwithstanding, Wells Fargo, in its capacity as an Issuing Bank, may, but shall not be obligated to, issue a Letter of Credit that supports the obligations of a Loan Party or any of its Subsidiaries in respect of (x) a lease of real property, or (y) an employment contract.

(b) No Issuing Bank shall have any obligation to issue a Letter of Credit if, at such time, any of the following would result after giving effect to the requested issuance:

(i) Letter of Credit Usage would exceed the Letter of Credit Sublimit, or

(ii) the aggregate Letter of Credit Usage attributable to Letters of Credit issued by such Issuing Bank would exceed its Individual Letter of Credit Sublimit, or

(iii) Letter of Credit Usage would exceed the Maximum Revolver Amount less the outstanding amount of Revolving Loans (including Swing Loans) plus any Reserves established against the Maximum Revolver Amount (solely with respect to the Reserves contemplated by clause (b) of the definition of "Maturity Date" with respect to the 2026 Senior Notes), or

(iv) Letter of Credit Usage would exceed the Borrowing Base at such time less the outstanding principal balance of the Revolving Loans (inclusive of Swing Loans) at such time.

(c) In the event there is a Defaulting Lender as of the date of any request for the issuance of a Letter of Credit, no Issuing Bank shall be required to issue or arrange for a Letter of Credit to the extent (i) the Defaulting Lender's Letter of Credit Exposure with respect to such Letter of Credit may not be reallocated pursuant to Section 2.3(g)(ii), or (ii) the applicable Issuing Bank has not otherwise entered into arrangements reasonably satisfactory to it and Borrowers to eliminate such Issuing Bank's risk with respect to the participation in such Letter of Credit of the Defaulting Lender, which arrangements may include Borrowers' cash collateralizing such Defaulting Lender's Letter of Credit Exposure in accordance with Section 2.3(g)(ii). Additionally, no Issuing Bank shall have any obligation to issue or extend a Letter of

Credit if (A) any order, judgment, or decree of any Governmental Authority or arbitrator shall, by its terms, purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any law applicable to such Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Bank shall prohibit or request that such Issuing Bank refrain from the issuance of letters of credit generally or such Letter of Credit in particular, (B) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally, or (C) if amounts drawn under such Letter of Credit will or may not be in the Applicable Currency in which such Letter of Credit is to be denominated.

(d) Any Issuing Bank (other than Wells Fargo or any of its Affiliates) shall notify Agent in writing no later than the Business Day prior to the Business Day on which such Issuing Bank issues any Letter of Credit. In addition, each Issuing Bank (other than Wells Fargo or any of its Affiliates) shall, on the first Business Day of each week, submit to Agent a report detailing the daily undrawn amount during the prior calendar week of each Letter of Credit issued by such Issuing Bank. Borrowers and the Lender Group hereby acknowledge and agree that all Existing Letters of Credit shall constitute Letters of Credit under this Agreement on and after the Closing Date with the same effect as if such Existing Letters of Credit were issued by the applicable Issuing Bank at the request of Borrowers on the Closing Date. Each Letter of Credit shall be in form and substance reasonably acceptable to the applicable Issuing Bank, including the requirement that the amounts payable thereunder must be payable in an Applicable Currency. If the applicable Issuing Bank makes a payment under a Letter of Credit, Borrowers shall pay to Agent an amount equal to the applicable Letter of Credit Disbursement (which payment shall be made in an amount equal to the Dollar Equivalent of the amount of such Letter of Credit Disbursement) on the Business Day such Letter of Credit Disbursement is made and, in the absence of such payment, the amount of such Letter of Credit Disbursement immediately and automatically shall be deemed to be a Revolving Loan (made in an amount equal to the Dollar Equivalent of the amount of such Letter of Credit Disbursement), notwithstanding any failure to satisfy any condition precedent set forth in Section 3, and, initially, shall bear interest at the rate then applicable to such Revolving Loans that are Base Rate Loans. If a Letter of Credit Disbursement is deemed to be a Revolving Loan as provided above, Borrowers' obligation to pay the amount of such Letter of Credit Disbursement to the applicable Issuing Bank shall be automatically converted into an obligation to pay the resulting Revolving Loan. Promptly following receipt by Agent of any payment from Borrowers pursuant to this paragraph, Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that any Revolving Lenders have made payments pursuant to Section 2.11 to reimburse the applicable Issuing Bank, then to such Revolving Lenders and the applicable Issuing Bank as their interests may appear.

(e) Promptly following receipt of a notice of a Letter of Credit Disbursement pursuant to Section 2.11, each Revolving Lender agrees to fund its Pro Rata Share of any Revolving Loan deemed made pursuant to Section 2.11 in respect of such Letter of Credit Disbursement (which shall be made in Dollars at the Dollar Equivalent of its Pro Rata Share) on the same terms and conditions as if Borrowers had requested the amount thereof as a Revolving Loan, and Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Revolving Lenders. By the issuance of a Letter of Credit (or an amendment, renewal,

or extension of a Letter of Credit) and without any further action on the part of the applicable Issuing Bank or the Revolving Lenders, the applicable Issuing Bank shall be deemed to have granted to each Revolving Lender, and each Revolving Lender shall be deemed to have purchased, a participation in such Letter of Credit, in an amount equal to its Pro Rata Share of such Letter of Credit, and each such Revolving Lender agrees to pay to Agent, for the account of the applicable Issuing Bank, such Revolving Lender's Pro Rata Share of any Letter of Credit Disbursement made under such Letter of Credit (which payment shall be made in Dollars in the Dollar Equivalent of such Lender's Pro Rata Share). In consideration and in furtherance of the foregoing, in the event Borrowers do not reimburse the applicable Issuing Bank for a Letter of Credit Disbursement on the date due as provided in this Section 2.11, each Revolving Lender hereby absolutely and unconditionally agrees to pay to Agent, for the account of the applicable Issuing Bank, such Revolving Lender's Pro Rata Share of such Letter of Credit Disbursement made by such Issuing Bank and not reimbursed by the Borrowers on the date due as provided in Section 2.11(d) (which payment shall be in Dollars in the Dollar Equivalent of such Lender's Pro Rata Share), or of any reimbursement payment that is required to be refunded (or that Agent or such Issuing Bank elects, based upon the advice of counsel, to refund) to Borrowers for any reason. Each Revolving Lender acknowledges and agrees that its obligation to deliver to Agent, for the account of the applicable Issuing Bank, an amount equal to the Dollar Equivalent of its respective Pro Rata Share of such Letter of Credit Disbursement pursuant to this Section 2.11(e) shall be absolute and unconditional and such remittance shall be made notwithstanding the occurrence or continuation of an Event of Default or Default or the failure to satisfy any condition set forth in Section 3. If any such Revolving Lender fails to make available to Agent the amount of such Revolving Lender's Pro Rata Share of such Letter of Credit Disbursement as provided in this Section, such Revolving Lender shall be deemed to be a Defaulting Lender and Agent (for the account of the applicable Issuing Bank) shall be entitled to recover such amount on demand from such Revolving Lender together with interest thereon at the Defaulting Lender Rate until paid in full.

(f) Borrowers agree to indemnify, defend and hold harmless each member of the Lender Group (including each applicable Issuing Bank and its branches, Affiliates, and correspondents) and each such Person's respective directors, officers, employees, attorneys and agents (each, including Issuing Bank, a "Letter of Credit Related Person") (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), which may be incurred by or awarded against any such Letter of Credit Related Person (other than Taxes, which shall be governed by Section 16) (the "Letter of Credit Indemnified Costs"), and which arise out of or in connection with, or as a result of:

- (i) any Letter of Credit or any pre-advice of its issuance;

- (ii) any transfer, sale, delivery, surrender or endorsement (or lack thereof) of any Drawing Document at any time(s) held by any such Letter of Credit Related Person in connection with any Letter of Credit;
- (iii) any action or proceeding arising out of, or in connection with, any Letter of Credit (whether administrative, judicial or in connection with arbitration), including any action or proceeding to compel or restrain any presentation or payment under any such Letter of Credit, or for the wrongful dishonor of, or honoring a presentation under, any such Letter of Credit;
- (iv) any independent undertakings issued by the beneficiary of any Letter of Credit;
- (v) any unauthorized instruction or request made to the applicable Issuing Bank in connection with any Letter of Credit or requested Letter of Credit, or any error, omission, interruption or delay in such instruction or request, whether transmitted by mail, courier, electronic transmission, SWIFT, or any other telecommunication including communications through a correspondent;
- (vi) an adviser, confirmer or other nominated person seeking to be reimbursed, indemnified or compensated in connection with any Letter of Credit;
- (vii) any third party seeking to enforce the rights of an applicant, beneficiary, nominated person, transferee, assignee of proceeds of any Letter of Credit or holder of an instrument or document;
- (viii) the fraud, forgery or illegal action of parties other than the Letter of Credit Related Person;
- (ix) any prohibition on payment or delay in payment of any amount payable by the applicable Issuing Bank to a beneficiary or transferee beneficiary of a Letter of Credit arising out of Anti-Corruption Laws, Anti-Money Laundering Laws, or Sanctions;
- (x) the applicable Issuing Bank's performance of the obligations of a confirming institution or entity that wrongfully dishonors a confirmation;
- (xi) any foreign language translation provided to the applicable Issuing Bank in connection with any Letter of Credit;
- (xii) any foreign law or usage as it relates to the applicable Issuing Bank's issuance of a Letter of Credit in support of a foreign guaranty including without limitation the expiration of such guaranty after the related Letter of Credit expiration date and any resulting drawing paid by the applicable Issuing Bank in connection therewith; or

(xiii) the acts or omissions, whether rightful or wrongful, of any present or future de jure or de facto governmental or regulatory authority or cause or event beyond the control of the Letter of Credit Related Person;

provided, that such indemnity shall not be available to any Letter of Credit Related Person claiming indemnification under clauses (i) through (xiii) above to the extent that such Letter of Credit Indemnified Costs may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted directly from the gross negligence or willful misconduct of the Letter of Credit Related Person claiming indemnity. Borrowers hereby agree to pay the Letter of Credit Related Person claiming indemnity on demand from time to time all amounts owing under this Section 2.11. If and to the extent that the obligations of Borrowers under this Section 2.11 are unenforceable for any reason, Borrowers agree to make the maximum contribution to the Letter of Credit Indemnified Costs permissible under applicable law. This indemnification provision shall survive termination of this Agreement and all Letters of Credit.

(g) The liability of the applicable Issuing Bank (or any other Letter of Credit Related Person) under, in connection with or arising out of any Letter of Credit (or pre-advice) for the account of Borrowers, regardless of the form or legal grounds of the action or proceeding, shall be limited to direct damages suffered by Borrowers that are caused directly by the applicable Issuing Bank's gross negligence or willful misconduct in (i) honoring a presentation under a Letter of Credit that on its face does not at least substantially comply with the terms and conditions of such Letter of Credit, (ii) failing to honor a presentation under a Letter of Credit that strictly complies with the terms and conditions of such Letter of Credit or (iii) retaining Drawing Documents presented under a Letter of Credit. Borrowers aggregate remedies against any Issuing Bank and any Letter of Credit Related Person for wrongfully honoring a presentation under any Letter of Credit or wrongfully retaining honored Drawing Documents shall in no event exceed the aggregate amount paid by Borrowers to the applicable Issuing Bank in respect of the honored presentation in connection with such Letter of Credit under Section 2.11(d), plus interest at the rate then applicable to Revolving Loans that are Base Rate Loans. Borrowers shall take reasonable action to avoid and mitigate the amount of any damages claimed against the applicable Issuing Bank or any other Letter of Credit Related Person, including by enforcing its rights against the beneficiaries of any applicable Letters of Credit. Any claim by Borrowers under or in connection with any Letter of Credit shall be reduced by an amount equal to the sum of (x) the amount (if any) saved by Borrowers as a result of the breach or alleged wrongful conduct complained of, and (y) the amount (if any) of the loss that would have been avoided had Borrowers taken all reasonable steps to mitigate any loss, and in case of a claim of wrongful dishonor, by specifically and timely authorizing the applicable Issuing Bank to effect a cure.

(h) Borrowers are responsible for preparing or approving the final text of any Letter of Credit issued by the applicable Issuing Bank, irrespective of any assistance the applicable Issuing Bank may provide such as drafting or recommending text or by the applicable Issuing Bank's use or refusal to use text submitted by Borrowers. Borrowers understand that the final form of any Letter of Credit may be subject to such revisions and changes as are deemed necessary or appropriate by the applicable Issuing Bank, and Borrowers hereby consent to such revisions and changes not materially different from the application executed in connection

therewith. Borrowers are solely responsible for the suitability of the Letter of Credit for Borrowers' purposes. If Borrowers request the applicable Issuing Bank to issue a Letter of Credit for an affiliated or unaffiliated third party (an "Account Party"), (i) such Account Party shall have no rights against the applicable Issuing Bank; (ii) Borrowers shall be responsible for the application and obligations under this Agreement; and (iii) communications (including notices) related to the respective Letter of Credit shall be among the applicable Issuing Bank and Borrowers. Borrowers will examine the copy of the Letter of Credit and any other documents sent by the applicable Issuing Bank in connection therewith and shall promptly notify the applicable Issuing Bank (not later than three (3) Business Days following Borrowers' receipt of documents from the applicable Issuing Bank) of any non-compliance with Borrowers' instructions and of any discrepancy in any document under any presentment or other irregularity. Borrowers understand and agree that the applicable Issuing Bank is not required to extend the expiration date of any Letter of Credit for any reason. With respect to any Letter of Credit containing an "automatic amendment" to extend the expiration date of such Letter of Credit, the applicable Issuing Bank, in its sole and absolute discretion, may give notice of non-extension of such Letter of Credit and, if Borrowers do not at any time want the then current expiration date of such Letter of Credit to be extended, Borrowers will so notify Agent and the applicable Issuing Bank at least 30 calendar days before the applicable Issuing Bank is required to notify the beneficiary of such Letter of Credit or any advising bank of such non-extension pursuant to the terms of such Letter of Credit.

(i) Borrowers' reimbursement and payment obligations under this Section 2.11 are absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever, including:

(i) any lack of validity, enforceability or legal effect of any Letter of Credit, any Issuer Document, this Agreement, or any Loan Document, or any term or provision therein or herein;

(ii) payment against presentation of any draft, demand or claim for payment under any Drawing Document that does not comply in whole or in part with the terms of the applicable Letter of Credit or which proves to be fraudulent, forged or invalid in any respect or any statement therein being untrue or inaccurate in any respect, or which is signed, issued or presented by a Person or a transferee of such Person purporting to be a successor or transferee of the beneficiary of such Letter of Credit;

(iii) the applicable Issuing Bank or any of its branches or Affiliates being the beneficiary of any Letter of Credit;

(iv) the applicable Issuing Bank or any correspondent honoring a drawing against a Drawing Document up to the amount available under any Letter of Credit even if such Drawing Document claims an amount in excess of the amount available under the Letter of Credit;

(v) the existence of any claim, set-off, defense or other right that any Loan Party or any of its Subsidiaries may have at any time against any beneficiary or transferee beneficiary, any assignee of proceeds, the applicable Issuing Bank or any other Person;

(vi) the applicable Issuing Bank or any correspondent honoring a drawing upon receipt of an electronic presentation under a Letter of Credit requiring the same, regardless of whether the original Drawing Documents arrive at the applicable Issuing Bank's counters or are different from the electronic presentation;

(vii) any other event, circumstance or conduct whatsoever, whether or not similar to any of the foregoing that might, but for this Section 2.11(i), constitute a legal or equitable defense to or discharge of, or provide a right of set-off against, Borrowers' or any of their Subsidiaries' reimbursement and other payment obligations and liabilities, arising under, or in connection with, any Letter of Credit, whether against the applicable Issuing Bank, the beneficiary or any other Person; or

(viii) the fact that any Default or Event of Default shall have occurred and be continuing;

provided, that subject to Section 2.11(g), the foregoing shall not release the applicable Issuing Bank from such liability to Borrowers as may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction against such Issuing Bank following reimbursement or payment of the obligations and liabilities, including reimbursement and other payment obligations, of Borrowers to such Issuing Bank arising under, or in connection with, this Section 2.11 or any Letter of Credit.

(j) Without limiting any other provision of this Agreement, no Issuing Bank or any other Letter of Credit Related Person (if applicable) shall be responsible to any Borrower for, and each Issuing Bank's rights and remedies against Borrowers and the obligation of Borrowers to reimburse the applicable Issuing Bank for each drawing under a Letter of Credit shall not be impaired by:

(i) honor of a presentation under any Letter of Credit that on its face substantially complies with the terms and conditions of such Letter of Credit, even if the Letter of Credit requires strict compliance by the beneficiary;

(ii) honor of a presentation of any Drawing Document that appears on its face to have been signed, presented or issued (A) by any purported successor or transferee of any beneficiary or other Person required to sign, present or issue such Drawing Document or (B) under a new name of the beneficiary;

(iii) acceptance as a draft of any written or electronic demand or request for payment under a Letter of Credit, even if nonnegotiable or not in the form of a draft or notwithstanding any requirement that such draft, demand or request bear any or adequate reference to the Letter of Credit;

(iv) the identity or authority of any presenter or signer of any Drawing Document or the form, accuracy, genuineness or legal effect of any Drawing Document (other than the applicable Issuing Bank's determination that such Drawing Document appears on its face substantially to comply with the terms and conditions of the Letter of Credit);

(v) acting upon any instruction or request relative to a Letter of Credit or requested Letter of Credit that the applicable Issuing Bank in good faith believes to have been given by a Person authorized to give such instruction or request;

(vi) any errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document (regardless of how sent or transmitted) or for errors in interpretation of technical terms or in translation or any delay in giving or failing to give notice to any Borrower;

(vii) any acts, omissions or fraud by, or the insolvency of, any beneficiary, any nominated person or entity or any other Person or any breach of contract between any beneficiary and any Borrower or any of the parties to the underlying transaction to which the Letter of Credit relates;

(viii) assertion or waiver of any provision of the ISP or UCP that primarily benefits an issuer of a letter of credit, including any requirement that any Drawing Document be presented to it at a particular hour or place;

(ix) payment to any presenting bank (designated or permitted by the terms of the applicable Letter of Credit) claiming that it rightfully honored or is entitled to reimbursement or indemnity under Standard Letter of Credit Practice applicable to it;

(x) acting or failing to act as required or permitted under Standard Letter of Credit Practice applicable to where the applicable Issuing Bank has issued, confirmed, advised or negotiated such Letter of Credit, as the case may be;

(xi) honor of a presentation after the expiration date of any Letter of Credit notwithstanding that a presentation was made prior to such expiration date and dishonored by the applicable Issuing Bank if subsequently the applicable Issuing Bank or any court or other finder of fact determines that such presentation should have been honored;

(xii) dishonor of any presentation that does not strictly comply or that is fraudulent, forged or otherwise not entitled to honor; or

(xiii) honor of a presentation that is subsequently determined by the applicable Issuing Bank to have been made in violation of international, federal, state or local restrictions on the transaction of business with certain prohibited Persons.

(k) Borrowers shall pay promptly upon demand to Agent for the account of the applicable Issuing Bank as non-refundable fees, commissions, and charges (it being acknowledged and agreed that any charging of such fees, commissions, and charges to the applicable Loan Account pursuant to the provisions of Section 2.6(d) shall be deemed to constitute a demand for payment thereof for the purposes of this Section 2.11(k)): (i) a fronting fee which shall be imposed by the applicable Issuing Bank equal to 0.125% *per annum* times the average amount of the Letter of Credit Usage during the immediately preceding month, *plus* (ii) any and all other customary commissions, fees and charges then in effect imposed by, and any and all expenses incurred by, the applicable Issuing Bank, or by any adviser, confirming institution or entity or other nominated person, relating to Letters of Credit, at the time of issuance of any Letter of Credit and upon the occurrence of any other activity with respect to any Letter of Credit (including transfers, assignments of proceeds, amendments, drawings, extensions or cancellations).

(l) If by reason of (x) any Change in Law, or (y) compliance by the applicable Issuing Bank or any other member of the Lender Group with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority including, Regulation D of the Board of Governors as from time to time in effect (and any successor thereto):

(i) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Letter of Credit issued or caused to be issued hereunder or hereby, or any Loans or obligations to make Loans hereunder or hereby, or

(ii) there shall be imposed on the applicable Issuing Bank or any other member of the Lender Group any other condition regarding any Letter of Credit, Loans, or obligations to make Loans hereunder,

and the result of the foregoing is to increase, directly or indirectly, the cost to such Issuing Bank or any other member of the Lender Group of issuing, making, participating in, or maintaining any Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Agent may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify Borrowers, and Borrowers shall pay within 30 days after demand therefor, such amounts as Agent, in its Permitted Discretion, may specify to be necessary to compensate such Issuing Bank or the Lenders for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the rate then applicable to Revolving Loans which are Base Rate Loans; provided, that (A) Borrowers shall not be required to provide any compensation pursuant to this Section 2.11(l) for any such amounts incurred more than 180 days prior to the date on which the demand for payment of such amounts is first made to Borrowers, and (B) if an event or circumstance giving rise to such amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Agent of any amount due pursuant to this Section 2.11(l), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

(m) Each standby Letter of Credit shall expire not later than the earlier of (A) three years after the date of issuance of such Letter of Credit and (B) the date that is 12 months after the stated Maturity Date (or, under this clause (B), such later date as may be agreed by the applicable Issuing Bank in its sole discretion); provided, that any standby Letter of Credit may provide for the automatic extension thereof for any number of additional periods each of up to one year in duration; provided further, that with respect to any Letter of Credit which extends beyond the Maturity Date, Letter of Credit Collateralization shall be provided therefor on or before the date that is five Business Days prior to the Maturity Date. Each commercial Letter of Credit shall expire on the earlier of (i) 120 days after the date of the issuance of such commercial Letter of Credit and (ii) five Business Days prior to the Maturity Date.

(n) If (i) any Event of Default shall occur and be continuing or (ii) Availability shall at any time be less than zero, then on the Business Day following the date when the Administrative Borrower receives notice from Agent or the Required Lenders (or, if the maturity of the Obligations has been accelerated, Revolving Lenders with Letter of Credit Exposure representing greater than 50% of the total Letter of Credit Exposure) demanding Letter of Credit Collateralization pursuant to this Section 2.11(n) upon such demand, Borrowers shall provide Letter of Credit Collateralization with respect to the then existing Letter of Credit Usage. If Borrowers fail to provide Letter of Credit Collateralization as required by this Section 2.11(n), the Revolving Lenders may advance, as Revolving Loans the amount of the cash collateral required pursuant to the Letter of Credit Collateralization provision so that the then existing Letter of Credit Usage is cash collateralized in accordance with the Letter of Credit Collateralization provision.

(o) Unless otherwise expressly agreed by Borrowers and the applicable Issuing Bank at the time a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial Letter of Credit.

(p) the applicable Issuing Bank shall be deemed to have acted with due diligence and reasonable care if such Issuing Bank's conduct is in accordance with Standard Letter of Credit Practice or in accordance with this Agreement.

(q) In the event of a direct conflict between the provisions of this Section 2.11 and any provision contained in any Issuer Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.11 shall control and govern.

(r) The provisions of this Section 2.11 shall survive the termination of this Agreement and the repayment in full of the Obligations with respect to any Letters of Credit that remain outstanding.

(s) At Borrowers' costs and expense, Borrowers shall execute and deliver to the applicable Issuing Bank such additional certificates, instruments and/or documents and take such additional action as may be reasonably requested by such Issuing Bank to enable such

Issuing Bank to issue any Letter of Credit pursuant to this Agreement and related Issuer Document, to protect, exercise and/or enforce such Issuing Banks' rights and interests under this Agreement or to give effect to the terms and provisions of this Agreement or any Issuer Document. Each Borrower irrevocably appoints each Issuing Bank as its attorney-in-fact and authorizes such Issuing Bank, without notice to Borrowers, to execute and deliver ancillary documents and letters customary in the letter of credit business that may include but are not limited to advisements, indemnities, checks, bills of exchange and issuance documents. The power of attorney granted by the Borrowers is limited solely to such actions related to the issuance, confirmation or amendment of any Letter of Credit and to ancillary documents or letters customary in the letter of credit business. This appointment is coupled with an interest.

## **2.12. SOFR Option.**

(a) **Interest and Interest Payment Dates.** In lieu of having interest charged at the rate based upon the Base Rate, Borrowers shall have the option, subject to Section 2.12(b) below (the "SOFR Option") to have interest on all or a portion of the Revolving Loans be charged (whether at the time when made (unless otherwise provided herein), upon conversion from a Base Rate Loan to a SOFR Loan, or upon continuation of a SOFR Loan as a SOFR Loan) at a rate of interest based upon Adjusted Term SOFR. Interest on SOFR Loans shall be payable on the earliest of (i) the last day of the Interest Period applicable thereto; provided, that subject to the following clauses (ii) and (iii), in the case of any Interest Period greater than three months in duration, interest shall be payable at three month intervals after the commencement of the applicable Interest Period and on the last day of such Interest Period, (ii) the date on which all or any portion of the Obligations are accelerated pursuant to the terms hereof, or (iii) the date on which this Agreement is terminated pursuant to the terms hereof. On the last day of each applicable Interest Period, unless Borrowers have properly exercised the SOFR Option with respect thereto, the interest rate applicable to such SOFR Loan automatically shall convert to the rate of interest then applicable to Base Rate Loans of the same type hereunder. At any time that an Event of Default has occurred and is continuing, at the written election of Agent or the Required Lenders, Borrowers no longer shall have the option to request that Revolving Loans bear interest at a rate based upon Adjusted Term SOFR.

### **(b) SOFR Election.**

(i) Borrowers may, at any time and from time to time, so long as Borrowers have not received a notice from Agent (which notice Agent may elect to give or not give in its discretion unless Agent is directed to give such notice by the Required Lenders, in which case, it shall give the notice to Borrowers), after the occurrence and during the continuance of an Event of Default, to terminate the right of Borrowers to exercise the SOFR Option during the continuance of such Event of Default, elect to exercise the SOFR Option by notifying Agent prior to 1:00 p.m. at least three U.S. Government Securities Business Days prior to the commencement of the proposed Interest Period (the "SOFR Deadline"). Notice of Borrowers' election of the SOFR Option for a permitted portion of the Revolving Loans and an Interest Period pursuant to this Section shall be made by delivery to Agent of a SOFR Notice received by Agent

before the SOFR Deadline. Promptly upon its receipt of each such SOFR Notice, Agent shall provide a notice thereof to each of the affected Lenders.

(ii) Each SOFR Notice shall be irrevocable and binding on Borrowers. In connection with each SOFR Loan, each Borrower shall indemnify, defend, and hold Agent and the Lenders harmless against any loss, cost, or expense actually incurred by Agent or any Lender as a result of (A) the payment or required assignment of any principal of any SOFR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (B) the conversion of any SOFR Loan other than on the last day of the Interest Period applicable thereto, or (C) the failure to borrow, convert, continue or prepay any SOFR Loan on the date specified in any SOFR Notice delivered pursuant hereto (such losses, costs, or expenses, “Funding Losses”).

(iii) A certificate of Agent or a Lender delivered to Borrowers setting forth in reasonable detail any amount or amounts that Agent or such Lender is entitled to receive pursuant to this Section 2.12 shall be conclusive absent manifest error. Borrowers shall pay such amount to Agent or the Lender, as applicable, within 30 days of the date of its receipt of such certificate. If a payment of a SOFR Loan on a day other than the last day of the applicable Interest Period would result in a Funding Loss, Agent may, in its sole discretion at the request of Borrowers, hold the amount of such payment as cash collateral in support of the Obligations until the last day of such Interest Period and apply such amounts to the payment of the applicable SOFR Loan on such last day of such Interest Period, it being agreed that Agent has no obligation to so defer the application of payments to any SOFR Loan and that, in the event that Agent does not defer such application, Borrowers shall be obligated to pay any resulting Funding Losses.

(iv) Unless Agent, in its sole discretion, agrees otherwise, Borrowers shall have not more than five SOFR Loans in effect at any given time. Borrowers may only exercise the SOFR Option for proposed SOFR Loans of at least \$1,000,000.

(c) **Conversion; Prepayment.** Borrowers may convert SOFR Loans to Base Rate Loans or prepay SOFR Loans at any time; provided, that in the event that SOFR Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any prepayment through the required application by Agent of any payments or proceeds of Collateral in accordance with Section 2.4(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, each Borrower shall indemnify, defend, and hold Agent and the Lenders and their Participants harmless against any and all Funding Losses in accordance with Section 2.12(b)(ii).

(d) **Special Provisions Applicable to Adjusted Term SOFR.**

(i) Adjusted Term SOFR may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs (other than Taxes which shall be governed by Section 16), in each case, due to changes in

applicable law occurring subsequent to the commencement of the then applicable Interest Period, or pursuant to any Change in Law or change in the reserve requirements imposed by the Board of Governors, which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at Adjusted Term SOFR. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (A) require such Lender to furnish to Borrowers a statement setting forth in reasonable detail the basis for adjusting Adjusted Term SOFR and the method for determining the amount of such adjustment, or (B) repay the SOFR Loans or Base Rate Loans determined with reference to Term SOFR, in each case, of such Lender with respect to which such adjustment is made (together with any amounts due under Section 2.12(b)(ii)).

(ii) Subject to the provisions set forth in Section 2.12(d)(iii) below, in the event that any change in market conditions or any Change in Law shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain SOFR Loans (or Base Rate Loans determined with reference to Term SOFR) or to continue such funding or maintaining, or to determine or charge interest rates at the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or SOFR, such Lender shall give notice of such changed circumstances to Agent and Borrowers and Agent promptly shall transmit the notice to each other Lender and (y)(i) in the case of any SOFR Loans of such Lender that are outstanding, such SOFR Loans of such Lender will be deemed to have been converted Base Rate Loans on the last day of the Interest Period of such SOFR Loans, if such Lender may lawfully continue to maintain such SOFR Loans, or immediately, if such Lender may not lawfully continue to maintain such SOFR Loans, and thereafter interest upon the SOFR Loans of such Lender thereafter shall accrue interest at the rate then applicable to Base Rate Loans (and if applicable, without reference to the Term SOFR component thereof) and (ii) in the case of any such Base Rate Loans of such Lender that are outstanding and that are determined with reference to Term SOFR, interest upon the Base Rate Loans of such Lender after the date specified in such Lender's notice shall accrue interest at the rate then applicable to Base Rate Loans without reference to the Term SOFR component thereof and (z) Borrowers shall not be entitled to elect the SOFR Option and Base Rate Loans shall not be determined with reference to the Term SOFR component thereof, in each case, until such Lender determines that it would no longer be unlawful or impractical to do so.

**(iii) Benchmark Replacement Setting.**

(A) **Benchmark Replacement.** Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, Agent and Administrative Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition

Event will become effective at 5:00 p.m. on the fifth (5<sup>th</sup>) Business Day after Agent has posted such proposed amendment to all affected Lenders and Administrative Borrower so long as Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.12(d)(iii) will occur prior to the applicable Benchmark Transition Start Date.

(B) **Benchmark Replacement Conforming Changes.** In connection with the use, administration, adoption or implementation of a Benchmark Replacement, Agent will have the right (in consultation with the Administrative Borrower) to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(C) **Notices; Standards for Decisions and Determinations.** Agent will promptly notify Administrative Borrower and the Lenders of (1) the implementation of any Benchmark Replacement and (2) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. Agent will notify Administrative Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.12(d)(iii)(D), and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.12(d)(iii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.12(d)(iii).

(D) **Unavailability of Tenor of Benchmark.** Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (1) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or

after such time to remove such unavailable or non-representative tenor and (2) if a tenor that was removed pursuant to clause (1) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(E) **Benchmark Unavailability Period.** Upon Administrative Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, (1) Administrative Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, Administrative Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans and (2) any outstanding affected SOFR Loans will be deemed to have been converted to Base Rate Loans at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(e) **No Requirement of Matched Funding.** Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their Participants, is required actually to match fund any Obligation as to which interest accrues at Adjusted Term SOFR or the Term SOFR Reference Rate.

### **2.13. Capital Requirements.**

(a) If, after the date hereof, any Issuing Bank or Lender determines that (i) any Change in Law regarding capital, liquidity or reserve requirements for banks or bank holding companies, or (ii) compliance by any Issuing Bank or such Lender, or their respective parent bank holding companies, with any guideline, request or directive of any Governmental Authority regarding capital adequacy or liquidity requirements (whether or not having the force of law), has the effect of reducing the return on such Issuing Bank’s, such Lender’s, or such holding companies’ capital or liquidity as a consequence of such Issuing Bank’s or such Lender’s commitments, Loans, participations or other obligations hereunder to a level below that which such Issuing Bank, such Lender, or such holding companies could have achieved but for such Change in Law or compliance (taking into consideration such Issuing Bank’s, such Lender’s, or such holding companies’ then existing policies with respect to capital adequacy or liquidity requirements and assuming the full utilization of such entity’s capital) by any amount deemed by such Issuing Bank or such Lender to be material, then such Issuing Bank or such Lender may notify Borrowers and Agent thereof. Following receipt of such notice, Borrowers agree to pay such Issuing Bank or such Lender on demand the amount of such reduction of return of capital as

and when such reduction is determined, payable within 30 days after presentation by such Issuing Bank or such Lender of a statement setting forth such amount, and showing in reasonable detail such Issuing Bank's or such Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent manifest error). In determining such amount, such Issuing Bank or such Lender will make such determination using its Permitted Discretion and may use any reasonable averaging and attribution methods. Failure or delay on the part of such Issuing Bank or such Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Issuing Bank's or such Lender's right to demand such compensation; provided, that Borrowers shall not be required to compensate such Issuing Bank or a Lender pursuant to this Section for any reductions in return incurred more than 180 days prior to the date that such Issuing Bank or such Lender notifies Borrowers of such Change in Law giving rise to such reductions and of such Lender's intention to claim compensation therefor; provided further, that if such claim arises by reason of the Change in Law that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(b) If the applicable Issuing Bank or Lender requests additional or increased costs referred to in Section 2.11(l) or Section 2.12(d)(i) or amounts under Section 2.13(a) or sends a notice under Section 2.12(d)(ii) relative to changed circumstances (such Issuing Bank or Lender, an "Affected Lender"), then, at the request of Administrative Borrower, such Affected Lender shall use reasonable efforts to promptly designate a different one of its lending offices or to assign its rights and obligations hereunder to another of its offices or branches, if (i) in the reasonable judgment of such Affected Lender, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 2.11(l), Section 2.12(d)(i) or Section 2.13(a), as applicable, or would eliminate the illegality or impracticality of funding or maintaining SOFR Loans (or Base Rate Loans determined with reference to Term SOFR), and (ii) in the reasonable judgment of such Affected Lender, such designation or assignment would not subject it to any material unreimbursed cost or expense and would not otherwise be materially disadvantageous to it. Borrowers agree to pay all reasonable out-of-pocket costs and expenses incurred by such Affected Lender in connection with any such designation or assignment. If, after such reasonable efforts, such Affected Lender does not so designate a different one of its lending offices or assign its rights to another of its offices or branches so as to eliminate Borrowers' obligation to pay any future amounts to such Affected Lender pursuant to Section 2.11(l), Section 2.12(d)(i) or Section 2.13(a), as applicable, or to enable Borrowers to obtain SOFR Loans (or Base Rate Loans determined with reference to Term SOFR), then Borrowers (without prejudice to any amounts then due to such Affected Lender under Section 2.11(l), Section 2.12(d)(i) or Section 2.13(a), as applicable) may, unless prior to the effective date of any such assignment the Affected Lender withdraws its request for such additional amounts under Section 2.11(l), Section 2.12(d)(i) or Section 2.13(a), as applicable, or indicates that it is no longer unlawful or impractical to fund or maintain SOFR Loans (or Base Rate Loans determined with reference to Term SOFR), may designate a different Issuing Bank or substitute a Lender or prospective Lender, in each case, reasonably acceptable to Agent to purchase the Obligations owed to such Affected Lender and such Affected Lender's commitments hereunder (a "Replacement Lender"), and if such Replacement Lender agrees to such purchase, such Affected Lender shall assign to the Replacement Lender its Obligations and commitments, and upon such

purchase by the Replacement Lender, which such Replacement Lender shall be deemed to be “Issuing Bank” or a “Lender” (as the case may be) for purposes of this Agreement and such Affected Lender shall cease to be “Issuing Bank” or a “Lender” (as the case may be) for purposes of this Agreement.

(c) Notwithstanding anything herein to the contrary, the protection of Sections 2.11(l), 2.12(d), and 2.13 shall be available to each Issuing Bank and each Lender (as applicable) regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, judicial ruling, judgment, guideline, treaty or other change or condition which shall have occurred or been imposed, so long as it shall be customary for issuing banks or lenders affected thereby to comply therewith. Notwithstanding any other provision herein, neither any Issuing Bank nor any Lender shall demand compensation pursuant to this Section 2.13 if it shall not at the time be the general policy or practice of such Issuing Bank or such Lender (as the case may be) to demand such compensation in similar circumstances under comparable provisions of other credit agreements, if any.

#### **2.14. Incremental Facilities.**

(a) At any time during the period from and after the Closing Date through but excluding the date that is the three-year anniversary of the Closing Date, at the option of Borrowers (but subject to the conditions set forth in clause (b) below), the Revolver Commitments and the Maximum Revolver Amount may be increased by an amount in the aggregate for all such increases of the Revolver Commitments and the Maximum Revolver Amount not to exceed the Available Increase Amount (each such increase, an “Increase”). Borrowers may invite any prospective lender who is reasonably satisfactory to Agent and Borrowers to become a Lender in connection with a proposed Increase. Any Increase shall be in an amount of at least \$10,000,000 and integral multiples of \$500,000 in excess thereof. In no event may the Revolver Commitments and the Maximum Revolver Amount be increased pursuant to this Section 2.14 on more than three occasions in the aggregate for all such Increases. Additionally, for the avoidance of doubt, it is understood and agreed that in no event shall the aggregate amount of the Increases to the Revolver Commitments exceed \$50,000,000.

(b) Each of the following shall be conditions precedent to any Increase of the Revolver Commitments and the Maximum Revolver Amount in connection therewith:

(i) Agent or Borrowers have obtained the commitment of one or more Lenders (or other prospective lenders) reasonably satisfactory to Agent and Borrowers to provide the applicable Increase and any such Lenders (or prospective lenders), Borrowers, and Agent have signed a joinder agreement to this Agreement (an “Increase Joinder”), in form and substance reasonably satisfactory to Agent, to which such Lenders (or prospective lenders), Borrowers, and Agent are party,

(ii) each of the conditions precedent set forth in Section 3.2 are satisfied,

(iii) in connection with any Increase, if any Loan Party or any of its Subsidiaries owns any Margin Stock, Borrowers shall deliver to Agent an updated Form U-1 (with sufficient additional originals thereof for each Lender), duly executed and delivered by the Borrowers, together with such other documentation as Agent shall reasonably request, in order to enable Agent and the Lenders to comply with any of the requirements under Regulations T, U or X of the Federal Reserve Board, and

(iv) The interest rate margins with respect to the Revolving Loans to be made pursuant to the increased Revolver Commitments shall be the same as the interest rate margin applicable to Revolving Loans hereunder immediately prior to the applicable date of the effectiveness of the increased Revolver Commitments and the Maximum Revolver Amount (the “Increase Date”).

(c) Unless otherwise specifically provided herein, all references in this Agreement and any other Loan Document to Revolving Loans shall be deemed, unless the context otherwise requires, to include Revolving Loans made pursuant to the increased Revolver Commitments and Maximum Revolver Amount pursuant to this Section 2.14.

(d) Each of the Lenders having a Revolver Commitment prior to the Increase Date (the “Pre-Increase Revolver Lenders”) shall assign to any Lender which is acquiring a new or additional Revolver Commitment on the Increase Date (the “Post-Increase Revolver Lenders”), and such Post-Increase Revolver Lenders shall purchase from each Pre-Increase Revolver Lender, at the principal amount thereof, such interests in the Revolving Loans and participation interests in Letters of Credit on such Increase Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans and participation interests in Letters of Credit will be held by Pre-Increase Revolver Lenders and Post-Increase Revolver Lenders ratably in accordance with their Pro Rata Share after giving effect to such increased Revolver Commitments.

(e) The Revolving Loans, Revolver Commitments, and Maximum Revolver Amount established pursuant to this Section 2.14 shall constitute Revolving Loans, Revolver Commitments, and Maximum Revolver Amount under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from any guarantees and the security interests created by the Loan Documents. Borrowers shall take any actions reasonably required by Agent to ensure and demonstrate that the Liens and security interests granted by the Loan Documents continue to be perfected under the Code or otherwise after giving effect to the establishment of any such new Revolver Commitments and Maximum Revolver Amount.

## **2.15. Joint and Several Liability of Borrowers.**

(a) Each Borrower is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lender Group under this Agreement, for the mutual benefit, directly and indirectly, of each Borrower and in consideration of the undertakings of the other Borrowers to accept joint and several liability for the Obligations.

(b) Each Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers, with respect to the payment and performance of all of the Obligations (including any Obligations arising under this Section 2.15), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each Borrower without preferences or distinction among them. Accordingly, each Borrower hereby waives any and all suretyship defenses that would otherwise be available to such Borrower under applicable law.

(c) If and to the extent that any Borrower shall fail to make any payment with respect to any of the Obligations as and when due, whether upon maturity, acceleration, or otherwise, or to perform any of the Obligations in accordance with the terms thereof, then in each such event the other Borrowers will make such payment with respect to, or perform, such Obligations until such time as all of the Obligations are paid in full, and without the need for demand, protest, or any other notice or formality.

(d) The Obligations of each Borrower under the provisions of this Section 2.15 constitute the absolute and unconditional, full recourse Obligations of each Borrower enforceable against each Borrower to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of the provisions of this Agreement (other than this Section 2.15(d)) or any other circumstances whatsoever.

(e) Without limiting the generality of the foregoing and except as otherwise expressly provided in this Agreement, each Borrower hereby waives presentments, demands for performance, protests and notices, including notices of acceptance of its joint and several liability, notice of any Revolving Loans, any Letters of Credit issued under or pursuant to this Agreement, notice of the occurrence of any Default, Event of Default, notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Agreement, notices of the existence, creation, or incurring of new or additional Obligations or other financial accommodations or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by Agent or Lenders under or in respect of any of the Obligations, any right to proceed against any other Borrower or any other Person, to proceed against or exhaust any security held from any other Borrower or any other Person, to protect, secure, perfect, or insure any security interest or Lien on any property subject thereto or exhaust any right to take any action against any other Borrower, any other Person, or any collateral, to pursue any other remedy in any member of the Lender Group's or any Bank Product Provider's power whatsoever, any requirement of diligence or to mitigate damages and, generally, to the extent permitted by applicable law, all demands, notices and other formalities of every kind in connection with this Agreement (except as otherwise provided in this Agreement), any right to assert against any member of the Lender Group or any Bank Product Provider, any defense (legal or equitable), set-off, counterclaim, or claim which each Borrower may now or at any time hereafter have against any other Borrower or any other party liable to any member of the Lender Group or any Bank Product Provider, any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Obligations or any security therefor, and any right or defense arising by reason of any claim or defense based upon an election of remedies by any member of

the Lender Group or any Bank Product Provider including any defense based upon an impairment or elimination of such Borrower's rights of subrogation, reimbursement, contribution, or indemnity of such Borrower against any other Borrower. Without limiting the generality of the foregoing, each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment of any of the Obligations, the acceptance of any payment of any of the Obligations, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by Agent or Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement, any and all other indulgences whatsoever by Agent or Lenders in respect of any of the Obligations, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of the Obligations or the addition, substitution or release, in whole or in part, of any Borrower. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of any Agent or Lender with respect to the failure by any Borrower to comply with any of its respective Obligations, including any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder, which might, but for the provisions of this Section 2.15 afford grounds for terminating, discharging or relieving any Borrower, in whole or in part, from any of its Obligations under this Section 2.15, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the Obligations of each Borrower under this Section 2.15 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.15 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any other Borrower or any Agent or Lender. Each of the Borrowers waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability hereunder or the enforcement hereof. Any payment by any Borrower or other circumstance which operates to toll any statute of limitations as to any Borrower shall operate to toll the statute of limitations as to each of the Borrowers. Each of the Borrowers waives any defense based on or arising out of any defense of any Borrower or any other Person, other than payment of the Obligations to the extent of such payment, based on or arising out of the disability of any Borrower or any other Person, or the validity, legality, or unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower other than payment of the Obligations to the extent of such payment. Agent may, at the election of the Required Lenders, foreclose upon any Collateral held by Agent by one or more judicial or nonjudicial sales or other dispositions, whether or not every aspect of any such sale is commercially reasonable or otherwise fails to comply with applicable law or may exercise any other right or remedy Agent, any other member of the Lender Group, or any Bank Product Provider may have against any Borrower or any other Person, or any security, in each case, without affecting or impairing in any way the liability of any of the Borrowers hereunder except to the extent the Obligations have been paid.

(f) Each Borrower represents and warrants to Agent and Lenders that such Borrower is currently informed of the financial condition of Borrowers and of all other circumstances which a diligent inquiry would reveal and which bear upon the risk of nonpayment of the Obligations. Each Borrower further represents and warrants to Agent and

Lenders that such Borrower has read and understands the terms and conditions of the Loan Documents. Each Borrower hereby covenants that such Borrower will continue to keep informed of Borrowers' financial condition and of all other circumstances which bear upon the risk of nonpayment or nonperformance of the Obligations.

(g) The provisions of this Section 2.15 are made for the benefit of Agent, each member of the Lender Group, each Bank Product Provider, and their respective successors and assigns, and may be enforced by it or them from time to time against any or all Borrowers as often as occasion therefor may arise and without requirement on the part of Agent, any member of the Lender Group, any Bank Product Provider, or any of their successors or assigns first to marshal any of its or their claims or to exercise any of its or their rights against any Borrower or to exhaust any remedies available to it or them against any Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.15 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied. If at any time, any payment, or any part thereof, made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by Agent or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower, or otherwise, the provisions of this Section 2.15 will forthwith be reinstated in effect, as though such payment had not been made.

(h) Each Borrower hereby agrees that it will not enforce any of its rights that arise from the existence, payment, performance or enforcement of the provisions of this Section 2.15, including rights of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of Agent, any other member of the Lender Group, or any Bank Product Provider against any Borrower, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from any Borrower, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right, unless and until such time as all of the Obligations have been paid in full in cash. Any claim which any Borrower may have against any other Borrower with respect to any payments to any Agent or any member of the Lender Group hereunder or under any of the Bank Product Agreements are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full in cash of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full in cash before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor. If any amount shall be paid to any Borrower in violation of the immediately preceding sentence, such amount shall be held in trust for the benefit of Agent, for the benefit of the Lender Group and the Bank Product Providers, and shall forthwith be paid to Agent to be credited and applied to the Obligations and all other amounts payable under this Agreement, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as Collateral for any Obligations or other amounts payable under this Agreement thereafter arising. Notwithstanding anything to the contrary contained in this Agreement, no Borrower may exercise any rights of

subrogation, contribution, indemnity, reimbursement or other similar rights against, and may not proceed or seek recourse against or with respect to any property or asset of, any other Borrower (the “Foreclosed Borrower”), including after payment in full of the Obligations, if all or any portion of the Obligations have been satisfied in connection with an exercise of remedies in respect of the Equity Interests of such Foreclosed Borrower whether pursuant to this Agreement or otherwise.

**2.16. Currencies.** The Revolving Loans and other Obligations shall be made and repaid in Dollars; provided that Letters of Credit may be issued in Applicable Currencies.

### **3. CONDITIONS; TERM OF AGREEMENT.**

**3.1. Conditions Precedent to the Initial Extension of Credit.** The obligation of each Lender to make the initial extensions of credit provided for hereunder is subject to the fulfillment, to the satisfaction of Agent and each Lender, of each of the conditions precedent set forth on Schedule 3.1 to this Agreement (the making of such initial extensions of credit by a Lender being conclusively deemed to be its satisfaction or waiver of the conditions precedent).

**3.2. Conditions Precedent to all Extensions of Credit.** The obligation of the Lender Group (or any member thereof) to make any Revolving Loans hereunder (or to extend any other credit hereunder) at any time shall be subject to the following conditions precedent:

(a) the representations and warranties of each Loan Party or its Subsidiaries contained in this Agreement or in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date of such extension of credit, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date); and

(b) no Default or Event of Default shall have occurred and be continuing on the date of such extension of credit, nor shall either result from the making thereof.

**3.3. Maturity.** The Commitments shall continue in full force and effect for a term ending on the Maturity Date (unless terminated earlier in accordance with the terms hereof).

**3.4. Effect of Maturity.** On the Maturity Date, all commitments of the Lender Group to provide additional credit hereunder shall automatically be terminated and all of the Obligations (other than contingent obligations for which no claim has been asserted and Hedge Obligations) immediately shall become due and payable without notice or demand and Borrowers shall be required to repay all of the Obligations (other than contingent obligations for which no claim has been asserted and Hedge Obligations) in full. No termination of the obligations of the Lender Group (other than payment in full of the Obligations and termination of

the Commitments) shall relieve or discharge any Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document and Agent's Liens in the Collateral shall continue to secure the Obligations and shall remain in effect until all Obligations have been paid in full. When all of the Obligations have been paid in full, Agent will, at Borrowers' sole expense, execute and deliver any termination statements, lien releases, discharges of security interests, and other similar discharge or release documents (and, if applicable, in recordable form) as are reasonably necessary to release, as of record, Agent's Liens and all notices of security interests and liens previously filed by Agent.

**3.5. Early Termination by Borrowers.** Borrowers have the option, at any time upon five Business Days prior written notice to Agent, to repay all of the Obligations in full and terminate the Commitments. The foregoing notwithstanding, (a) Borrowers may rescind termination notices relative to proposed payments in full of the Obligations with the proceeds of third party Indebtedness if the closing for such issuance or incurrence does not happen on or before the date of the proposed termination (in which case, a new notice shall be required to be sent in connection with any subsequent termination), and (b) Borrowers may extend the date of termination at any time with the consent of Agent (which consent shall not be unreasonably withheld or delayed).

**3.6. Conditions Subsequent.** The obligation of the Lender Group (or any member thereof) to continue to make Revolving Loans (or otherwise extend credit hereunder) is subject to the fulfillment, on or before the date applicable thereto, of the conditions subsequent set forth on Schedule 3.6 to this Agreement (the failure by Borrowers to so perform or cause to be performed such conditions subsequent as and when required by the terms thereof (unless such date is extended, in writing, by Agent, which Agent may do without obtaining the consent of the other members of the Lender Group), shall constitute an Event of Default).

#### **4. REPRESENTATIONS AND WARRANTIES.**

In order to induce the Lender Group to enter into this Agreement, each Borrower makes the following representations and warranties to the Lender Group which shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the Closing Date, and shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of the making of each Revolving Loan (or other extension of credit) made thereafter, as though made on and as of the date of such Revolving Loan (or other extension of credit) (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date), and such representations and warranties shall survive the execution and delivery of this Agreement:

#### **4.1. Due Organization and Qualification; Subsidiaries.**

(a) Each Loan Party and each of its Domestic Subsidiaries (i) is duly incorporated or organized and existing and is, to the extent applicable, in good standing under the laws of the jurisdiction of its organization, (ii) is qualified or registered to do business in any state or jurisdiction where the failure to be so qualified or registered could reasonably be expected to result in a Material Adverse Effect, and (iii) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Set forth on Schedule 4.1(b) to this Agreement, as of the Closing Date, is a complete and accurate description of the authorized Equity Interests of OIS, by class, and a description of the number of shares of each such class that are issued and outstanding.

(c) Set forth on Schedule 4.1(c) to this Agreement (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement), is a complete and accurate list of OIS's direct and indirect Subsidiaries, showing the number and the percentage of the outstanding shares of each such class owned directly or indirectly by OIS. All of the outstanding Equity Interests of each such Subsidiary has been validly issued and is fully paid and non-assessable.

#### **4.2. Due Authorization; No Conflict.**

(a) As to each Loan Party, the execution, delivery, and performance by such Loan Party of the Loan Documents to which it is a party have been duly authorized by all necessary action on the part of such Loan Party.

(b) As to each Loan Party, the execution, delivery, and performance by such Loan Party of the Loan Documents to which it is a party do not and will not (i) violate any material provision of federal, state, provincial, foreign or local law or regulation applicable to any Loan Party or its Subsidiaries, the Governing Documents of any Loan Party or its Subsidiaries, or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material agreement of any Loan Party or its Subsidiaries where any such conflict, breach or default could individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (iv) require any approval of any holder of Equity Interests of a Loan Party or any approval or consent of any Person under any material agreement of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of material agreements, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to cause a Material Adverse Effect.

**4.3. Governmental Consents.** The execution, delivery, and performance by each Loan Party of the Loan Documents to which such Loan Party is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not require any registration with, consent, or approval of, or notice to, or other action with or by, any Governmental Authority, other than registrations, consents, approvals, notices, or other actions that have been obtained and that are still in force and effect and except for filings and recordings with respect to the Collateral to be made, or otherwise delivered to Agent for filing or recordation, as of the Closing Date.

**4.4. Binding Obligations; Perfected Liens.**

(a) Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as enforcement may be limited by general equitable or discretionary principles whether considered in a proceeding at law or in equity or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(b) Agent's Liens are validly created, perfected (other than (i) in respect of motor vehicles that are subject to a certificate of title, (ii) money, (iii) letter-of-credit rights (other than supporting obligations), (iv) commercial tort claims of the Loan Parties (other than those that, by the terms of the Guaranty and Security Agreement, are required to be perfected), and (v) any Deposit Accounts and Securities Accounts not subject to a Control Agreement as permitted by Section 7(k)(iv) of the Guaranty and Security Agreement, and subject only to the filing of financing statements, and the recordation of any applicable Copyright Security Agreement, in each case, in the appropriate filing offices), and first priority Liens, subject only to Permitted Liens which are non-consensual Permitted Liens, permitted purchase money Liens, or the interests of lessors under Capital Leases.

**4.5. Title to Assets; No Encumbrances.** Each of the Loan Parties and its Subsidiaries has (a) good, sufficient and legal title to (in the case of fee interests in Real Property), (b) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (c) good and marketable title to (in the case of all other personal property), all of their respective assets reflected in their most recent financial statements delivered pursuant to Section 5.1, in each case except for assets disposed of since the date of such financial statements to the extent permitted hereby. All of such assets are free and clear of Liens except for Permitted Liens.

**4.6. Litigation.**

(a) There are no actions, suits, or proceedings pending or, to the knowledge of any Borrower, after due inquiry, threatened in writing against a Loan Party or any of its Subsidiaries that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect.

(b) Schedule 4.6(b) to this Agreement sets forth a complete and accurate description of each of the actions, suits, or proceedings with asserted liabilities in excess of, or that could reasonably be expected to result in liabilities in excess of, an amount that could reasonably be expected to result in a Material Adverse Effect that, as of the Closing Date, is pending or, to the knowledge of any Borrower, after due inquiry, threatened against a Loan Party or any of its Subsidiaries.

**4.7. Compliance with Laws.** No Loan Party nor any of its Subsidiaries (a) is in violation of any applicable laws, rules, regulations, executive orders, or codes (including Environmental Laws) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

**4.8. No Material Adverse Effect.** All historical financial statements relating to the Loan Parties and their Subsidiaries that have been delivered by Borrowers to Agent have been prepared in accordance with GAAP (except, in the case of unaudited financial statements, for the lack of footnotes and being subject to year-end audit adjustments) and present fairly in all material respects, the Loan Parties' and their Subsidiaries' consolidated financial condition as of the date thereof and results of operations for the period then ended. Since December 31, 2019, no event, circumstance, or change has occurred that has or could reasonably be expected to result in a Material Adverse Effect.

**4.9. Solvency.**

(a) Each Loan Party is Solvent.

(b) No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

**4.10. Employee Benefits.**

(a) Except as could not reasonably be expected to result in a Material Adverse Effect, each Loan Party and each of the ERISA Affiliates has complied in all material respects with ERISA, the IRC and all applicable laws regarding each Employee Benefit Plan.

(b) Except as could not reasonably be expected to result in a Material Adverse Effect, each Employee Benefit Plan is, and has been, maintained in substantial compliance with ERISA, the IRC (if applicable), all applicable laws and the terms of each such Employee Benefit Plan.

(c) Except as could not reasonably be expected to result in a Material Adverse Effect, each Employee Benefit Plan that is intended to qualify under Section 401(a) of the IRC has received a favorable determination letter from the Internal Revenue Service or is entitled to rely on an opinion letter provided under a volume submitted program. To the best knowledge of each Loan Party and the ERISA Affiliates after due inquiry, nothing has occurred which would prevent, or cause the loss of, such qualification.

(d) Except as could not reasonably be expected to result in a Material Adverse Effect, no liability to the PBGC (other than for the payment of current premiums which are not past due) by any Loan Party or ERISA Affiliate has been incurred or is expected by any Loan Party or ERISA Affiliate to be incurred with respect to any Pension Plan.

(e) Except as could not reasonably be expected to result in a Material Adverse Effect, no Notification Event exists or has occurred in the past six (6) years.

(f) Except as could not reasonably be expected to result in a Material Adverse Effect, no Loan Party or ERISA Affiliate has provided any security under Section 436 of the IRC.

**4.11. Environmental Condition.** Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or as set forth on Schedule 4.11 to this Agreement, (a) to the knowledge of Borrower, no Loan Party's nor any of its Subsidiaries' properties or assets has ever been used by a Loan Party, its Subsidiaries, or by previous owners or operators in the disposal of, or to produce, store, handle, treat, release, or transport, any Hazardous Materials, where such disposal, production, storage, handling, treatment, release or transport was in violation of any applicable Environmental Law or that would be reasonably likely to result in an Environmental Action against a Loan Party or any of its Subsidiaries, (b) to the knowledge of Borrower, no Loan Party's nor any of its Subsidiaries' owned or operated properties is designated or identified in any list promulgated by any Governmental Authority pursuant to any environmental protection statute as a Hazardous Materials disposal site, (c) no Loan Party nor any of its Subsidiaries has received notice that a Lien arising under any Environmental Law has attached to any revenues or to any Real Property owned or operated by a Loan Party or its Subsidiaries, (d) each Loan Party and each of its Subsidiaries have been operating in compliance with Environmental Law, and (e) no Loan Party nor any of its Subsidiaries nor any of their respective facilities or operations is subject to any outstanding written order, consent decree, or settlement agreement with any Governmental Authority or Person relating to any Environmental Law or Environmental Liability.

**4.12. Complete Disclosure.** All factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) furnished by or on behalf of a Loan Party or its Subsidiaries in writing to Agent or any Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents, and all other such factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) hereafter furnished by or on behalf of

a Loan Party or its Subsidiaries in writing to Agent or any Lender will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and not incomplete by omitting to state any material fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections delivered to Agent on February 3, 2021, represent, and as of the date on which any other Projections are delivered to Agent, such additional Projections represent, Borrowers' good faith estimate, on the date such Projections are delivered, of the Loan Parties' and their Subsidiaries' future performance for the periods covered thereby based upon assumptions believed by Borrowers to be reasonable at the time of the delivery thereof to Agent (it being understood that such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Loan Parties and their Subsidiaries, and no assurances can be given that such Projections will be realized, and although reflecting Borrowers' good faith estimate, projections or forecasts based on methods and assumptions which Borrowers believed to be reasonable at the time such Projections were prepared, are not to be viewed as facts, and that actual results during the period or periods covered by the Projections may differ materially from projected or estimated results). The information provided in any Beneficial Ownership Certificate delivered under this Agreement is true and correct in all respects on the date on which such Beneficial Ownership Certificate is delivered.

**4.13. Patriot Act, Etc.** To the extent applicable, each Loan Party is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001, as amended) (the "Patriot Act").

**4.14. Indebtedness.** Set forth on Schedule 4.14 to this Agreement is a true and complete list of all Indebtedness of each Loan Party and each of its Subsidiaries outstanding immediately prior to the Closing Date (other than unsecured Permitted Indebtedness outstanding immediately prior to the Closing Date with respect to any one transaction or a series of related transactions in an amount not to exceed \$1,000,000; provided, that all such Permitted Indebtedness, in the aggregate, shall not exceed \$5,000,000) that is to remain outstanding immediately after giving effect to the closing hereunder on the Closing Date and such Schedule accurately sets forth the aggregate principal amount of such Indebtedness as of the Closing Date.

**4.15. Payment of Taxes.** Except as otherwise permitted under Section 5.5, all material Tax returns and reports of each Loan Party and its Subsidiaries required to be filed by any of them have been timely filed, and all Taxes shown on such Tax returns to be due and payable and all other material Taxes upon a Loan Party and its Subsidiaries and upon their respective assets, income, businesses and franchises that are due and payable have been paid when due and payable. Each Loan Party and each of its Subsidiaries have made adequate provision in accordance with GAAP for all Taxes not yet due and payable. No Borrower knows of any proposed Tax assessment against a Loan Party or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect that is not being actively contested by such Loan

Party or such Subsidiary diligently, in good faith, and by appropriate proceedings; provided, that such reserves or other appropriate provisions, if any, as shall be required in conformity with GAAP shall have been made or provided therefor.

**4.16. Margin Stock.** Neither any Loan Party nor any of its Subsidiaries owns any Margin Stock or is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Loans made to Borrowers will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors. Neither any Loan Party nor any of its Subsidiaries expects to acquire any Margin Stock.

**4.17. Governmental Regulation.** No Loan Party nor any of its Subsidiaries is subject to regulation under the Federal Power Act or the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Indebtedness or which may otherwise render all or any portion of the Obligations unenforceable. No Loan Party nor any of its Subsidiaries is a “registered investment company” or a company “controlled” by a “registered investment company” or a “principal underwriter” of a “registered investment company” as such terms are defined in the Investment Company Act of 1940.

**4.18. OFAC; Sanctions; Anti-Corruption Laws; Anti-Money Laundering Laws.** No Loan Party or any of its Subsidiaries is in violation of any Sanctions. No Loan Party nor any of its Subsidiaries nor, to the knowledge of such Loan Party, any director, officer, employee, agent or Affiliate of such Loan Party or such Subsidiary (a) is a Sanctioned Person or a Sanctioned Entity, (b) has any assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. Each of the Loan Parties and its Subsidiaries has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance with Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws. Each of the Loan Parties and its Subsidiaries, and to the knowledge of each such Loan Party, each director, officer, employee, agent and Affiliate of each such Loan Party and each such Subsidiary, is in compliance (i) with all Sanctions and (ii) in all material respects, with all Anti-Corruption Laws and Anti-Money Laundering Laws. No proceeds of any Loan made or Letter of Credit issued hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity, or otherwise used in any manner that would result in a violation of any Sanction, Anti-Corruption Law or Anti-Money Laundering Law by any Person (including any Lender, Bank Product Provider, or other individual or entity participating in any transaction).

**4.19. Employee and Labor Matters.** There is (i) no unfair labor practice complaint pending or, to the knowledge of any Borrower, threatened against any Loan Party or its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or its Subsidiaries which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a Material Adverse Effect, (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or its Subsidiaries that could reasonably

be expected to result in a Material Adverse Effect, or (iii) to the knowledge of any Borrower, after due inquiry, no union representation question existing with respect to the employees of any Loan Party or its Subsidiaries and no union organizing activity taking place with respect to any of the employees of any Loan Party or its Subsidiaries that could reasonably be expected to result in a Material Adverse Effect. None of any Loan Party or its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state, provincial or other applicable law, which remains unpaid or unsatisfied, except to the extent a failure to pay or satisfy such liability or obligation could not reasonably be expected to result in a Material Adverse Effect. The hours worked and payments made to employees of each Loan Party and its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. All material payments due from any Loan Party or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of Borrowers, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

**4.20. [Reserved].**

**4.21. Leases.** Each Loan Party and its Subsidiaries enjoy peaceful and undisturbed possession under all leases material to their business and to which they are parties or under which they are operating, and, subject to Permitted Protests, all of such material leases are valid and subsisting and no material default by the applicable Loan Party or its Subsidiaries exists under any of them.

**4.22. Eligible Accounts.** As to each Account that is identified by Borrowers as an Eligible Account in a Borrowing Base Certificate submitted to Agent, such Account is (a) a bona fide existing payment obligation of the applicable Account Debtor created by the sale and delivery of Inventory or the rendition of services to such Account Debtor in the ordinary course of a Loan Party's business, (b) owed to a Loan Party without any known defenses, disputes, offsets, counterclaims, or rights of return or cancellation, and (c) not excluded as ineligible by virtue of one or more of the excluding criteria (other than any Agent-discretionary criteria) set forth in the definition of "Eligible Accounts".

**4.23. Eligible Inventory.** As to each item of Inventory that is identified by Borrowers as Eligible Inventory, Eligible Finished Goods Inventory, or Eligible Raw Materials Inventory in a Borrowing Base Certificate submitted to Agent, such Inventory is (a) of good and merchantable quality, free from known defects, and (b) not excluded as ineligible by virtue of one or more of the excluding criteria (other than any Agent-discretionary criteria) set forth in the definition of "Eligible Inventory".

**4.24. [Reserved].**

**4.25. Location of Inventory.** All Inventory of the Loan Parties is stored only at a Permitted Location.

**4.26. Inventory Records.** Each Loan Party keeps correct and accurate records itemizing and describing the type, quality, and quantity of its and its Subsidiaries' Inventory and the book value thereof.

**4.27. [Reserved].**

**4.28. [Reserved].**

**4.29. [Reserved].**

**4.30. Hedge Agreements.** On each date that any Hedge Agreement is executed by any Hedge Provider, Borrower and each other Loan Party satisfy all eligibility, suitability and other requirements under the Commodity Exchange Act (7 U.S.C. § 1, et seq., as in effect from time to time) and the Commodity Futures Trading Commission regulations.

## **5. AFFIRMATIVE COVENANTS.**

Each Borrower covenants and agrees that, until the termination of all of the Commitments and payment in full of the Obligations:

**5.1. Financial Statements, Reports, Certificates.** Borrowers (a) will deliver to Agent, with copies to each Lender, each of the financial statements, reports, and other items set forth on Schedule 5.1 to this Agreement no later than the times specified therein, (b) agree that no Subsidiary of a Loan Party (other than Oil States Industries (India) Private Limited) will have a fiscal year different from that of OIS, (c) agree to maintain a system of accounting that enables Borrowers to produce financial statements in accordance with GAAP, and (d) agree that they will, and will cause each other Loan Party to, (i) keep a reporting system that shows all additions, sales, claims, returns, and allowances with respect to their and their Subsidiaries' sales, and (ii) maintain their billing systems and practices substantially as in effect as of the Closing Date and shall only make material modifications thereto with notice to, and with the consent of, Agent (such consent not to be unreasonably withheld, conditioned, or delayed).

**5.2. Reporting.** Borrowers (a) will deliver to Agent (and if so requested by Agent, with copies for each Lender) each of the reports set forth on Schedule 5.2 to this Agreement at the times specified therein, and (b) agree to use commercially reasonable efforts in cooperation with Agent to facilitate and implement a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on such Schedule. Borrowers and Agent hereby agree that the delivery of the Borrowing Base Certificate through the Agent's electronic platform or portal, subject to Agent's authentication process, by such other electronic method as may be approved by Agent from time to time in its sole discretion, or by such other electronic input of information necessary to calculate the Borrowing Bases as may be approved by Agent from time to time in its sole discretion, shall in each case be deemed to satisfy the obligation of Borrowers to deliver such Borrowing Base Certificate, with the same legal effect as if such Borrowing Base Certificate had been manually executed by Borrowers and delivered to Agent.

**5.3. Existence.** Except as otherwise permitted under Section 6.3 or Section 6.4, each Loan Party will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect such Person's valid existence and good standing (or its equivalent) in its jurisdiction of organization and, except as could not reasonably be expected to result in a Material Adverse Effect, good standing with respect to all other jurisdictions in which it is qualified to do business and any rights, franchises, permits, licenses, accreditations, authorizations, or other approvals material to their businesses.

**5.4. Maintenance of Properties.** Each Loan Party will, and will cause each of its Subsidiaries to, maintain and preserve all of its assets that are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear, tear, casualty, and condemnation and Permitted Dispositions excepted (and except where the failure to so maintain and preserve assets could not reasonably be expected to result in a Material Adverse Effect).

**5.5. Taxes.** Each Loan Party will, and will cause each of its Subsidiaries to, pay in full before delinquency or before the expiration of any extension period all material Taxes imposed, levied, or assessed against it, or any of its assets or in respect of any of its income, capital, businesses, or franchises, other than to the extent that the validity of such Tax is the subject of a Permitted Protest.

**5.6. Insurance.**

(a) Each Loan Party will, and will cause each of its Subsidiaries to, at Borrowers' expense, maintain insurance respecting each of each Loan Party's and its Subsidiaries' assets wherever located, covering liabilities, losses or damages as are customarily are insured against by other Persons engaged in the same or similar businesses and similarly situated and located. All such policies of insurance shall be with financially sound and reputable insurance companies which are (in the case of policies with a policy limit in excess of \$1,000,000) reasonably acceptable to Agent (it being agreed that, as of the Closing Date, the Loan Parties' existing insurance providers as set forth in the certificates of insurance delivered to Agent on or about the Closing Date shall be deemed to be reasonably acceptable to Agent) and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and, in any event, in amount, adequacy, and scope reasonably satisfactory to Agent (it being agreed that the amount, adequacy, and scope of the policies of insurance of Borrowers in effect as of the Closing Date are reasonably acceptable to Agent). All property insurance policies are to be made payable to Agent for the benefit of Agent and the Lenders, as their interests may appear, in case of loss, pursuant to a standard lender's loss payable endorsement with a standard non-contributory "lender", "secured party" or "first loss payee" clause and are to contain such other provisions as Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Agent, with the lender's loss payable and additional insured endorsements in favor of Agent and shall provide for not less than thirty days (ten days in the case of non-payment) prior written notice to Agent of the exercise of any right of cancellation. If any Loan Party or its Subsidiaries fails to maintain such insurance, Agent may arrange for such insurance, but at

Borrowers' expense and without any responsibility on Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims.

(b) Borrowers shall give Agent prompt notice of any loss exceeding \$10,000,000 covered by the casualty or business interruption insurance of any Loan Party or its Subsidiaries. Upon the occurrence and during the continuance of an Event of Default, Agent shall have the sole right to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

#### **5.7. Inspection.**

(a) Each Loan Party will, and will cause each of its Subsidiaries to, permit Agent, any Lender, and each of their respective duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees (provided, that an authorized representative of a Borrower shall be allowed to be present) at such reasonable times and intervals as Agent or any Lender, as applicable, may designate and, so long as no Default or Event of Default has occurred and is continuing, with reasonable prior notice to Borrowers and during regular business hours, at Borrowers' expense in accordance with the provisions of this Agreement, subject to the limitations set forth below in Section 5.7(c).

(b) Each Loan Party will, and will cause each of its Subsidiaries to, permit Agent and each of its duly authorized representatives or agents to conduct field examinations, appraisals or valuations at such reasonable times and intervals as Agent may designate, at Borrowers' expense in accordance with the provisions of the Fee Letter, subject to the limitations set forth below in Section 5.7(c).

(c) So long as no Event of Default shall have occurred and be continuing during a calendar year, Borrowers shall not be obligated to reimburse Agent for more than one field examinations in such calendar year (increasing to two field examinations if an Increased Inspection Event has occurred during such calendar year), and one inventory appraisals in such calendar year (increasing to two inventory appraisals if an Increased Inspection Event has occurred during such calendar year), in each case, except for field examinations and appraisals conducted in connection with a proposed Permitted Acquisition (whether or not consummated).

**5.8. Compliance with Laws.** Each Loan Party will, and will cause each of its Subsidiaries to, comply with the requirements of all applicable laws, rules, regulations, and orders of any Governmental Authority (including Environmental Laws), other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

**5.9. Environmental.** Each Loan Party will, and will cause each of its Subsidiaries to,

(a) Keep any property either owned or operated by any Loan Party or its Subsidiaries free of any Environmental Liens or post bonds or other financial assurances sufficient to satisfy the obligations or liability evidenced by such Environmental Liens,

(b) Promptly notify Agent of any release of a Hazardous Material in a quantity reportable under Environmental Law of which any Loan Party has knowledge from or onto property owned or operated by any Loan Party or its Subsidiaries, and take any Remedial Actions required under Environmental Law to abate said release or otherwise to come into compliance, in all material respects, with applicable Environmental Law, and

(c) Promptly, but in any event within ten Business Days of its receipt thereof, provide Agent with written notice of any of the following: (i) notice that an Environmental Lien has been filed against any of the real or personal property of a Loan Party or its Subsidiaries and (ii) notice of any Environmental Action against or involving a Loan Party or its Subsidiaries or notice that such an Environmental Action may be commenced.

**5.10. Disclosure Updates.** Each Loan Party will, promptly and in no event later than five Business Days after obtaining knowledge thereof, notify Agent if any written information, exhibit, or report furnished to Agent or the Lenders contained, at the time it was furnished, any untrue statement of a material fact or omitted to state any material fact necessary to make the statements contained therein not misleading in light of the circumstances in which made. The foregoing notwithstanding, any notification pursuant to the foregoing provision will not cure or remedy the effect of the prior untrue statement of a material fact or omission of any material fact nor shall any such notification have the effect of amending or modifying this Agreement or any of the Schedules hereto.

**5.11. Formation of Subsidiaries.** Each Loan Party will, at the time that any Loan Party forms any direct or indirect Subsidiary, acquires any direct or indirect Subsidiary after the Closing Date, or at any time when any direct or indirect Subsidiary of a Loan Party that previously was an Immaterial Subsidiary becomes a Material Subsidiary, within 30 days after such event or, with respect to the pledge of any Equity Interests issued by a CFC or FSHCO, 60 days (or, in any case, such later date as agreed by Agent in its discretion) (a) unless such Subsidiary is an Excluded Subsidiary, cause such new Subsidiary (i) if such Subsidiary is a Domestic Subsidiary and Administrative Borrower requests, subject to the consent of Agent, that such Domestic Subsidiary be joined as a Borrower hereunder, to provide to Agent a Joinder to this Agreement, and (ii) to provide to Agent a joinder to the Guaranty and Security Agreement, in each case, together with such other security agreements, as well as appropriate financing statements, all in form and substance reasonably satisfactory to Agent (including being sufficient to grant Agent a first priority Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Subsidiary); provided, that the Joinder, the joinder to the Guaranty and Security Agreement, and such other security agreements shall not be required to be provided to Agent with respect to any Subsidiary of any Loan Party that is a CFC or the costs to the Loan Parties of providing such guaranty or such security agreements are unreasonably excessive (as determined by Agent in consultation with the Administrative Borrower) in relation to the benefits

to Agent and the Lenders of the security or guarantee afforded thereby, (b) provide, or cause the applicable Loan Party to provide, to Agent a pledge agreement (or an addendum to the Guaranty and Security Agreement) and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary in form and substance reasonably satisfactory to Agent; provided, that only 65% of the total outstanding voting Equity Interests of any first tier Subsidiary of a Loan Party that is a CFC or a FSHCO (and none of the Equity Interests of any Subsidiary of such CFC or FSHCO, as applicable) shall be required to be pledged or the costs to the Loan Parties of providing such pledge are unreasonably excessive (as determined by Agent in consultation with the Administrative Borrower) in relation to the benefits to Agent and the Lenders of the security afforded thereby, and (c) provide to Agent all other documentation, including the Governing Documents of such Subsidiary and one or more opinions of counsel reasonably satisfactory to Agent, which, in its opinion, is appropriate with respect to the execution and delivery of the applicable documentation referred to above. Any document, agreement, or instrument executed or issued pursuant to this Section 5.11 shall constitute a Loan Document. No Person which becomes a Guarantor after the Closing Date shall constitute a Borrowing Base Party without Agent's prior written consent (which shall not be unreasonably withheld).

**5.12. Further Assurances.** Each Loan Party will, and will cause each of the other Loan Parties to, at any time upon the reasonable request of Agent, execute or deliver to Agent any and all financing statements, security agreements, pledges, assignments, opinions of counsel, and all other documents (the "Additional Documents") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect, and continue perfected or to better perfect Agent's Liens in all of the assets of each of the Loan Parties (whether now owned or hereafter arising or acquired, tangible or intangible) (other than (A) any assets expressly excluded from the Collateral (as defined in the Guaranty and Security Agreement) pursuant to Section 3 of the Guaranty and Security Agreement and (B) Real Property), to fully consummate all of the transactions contemplated hereby and under the other Loan Documents; provided, that the foregoing shall not apply to any Subsidiary of a Loan Party that is a CFC or the costs to the Loan Parties of providing such documents are unreasonably excessive (as determined by Agent in consultation with the Administrative Borrower) in relation to the benefits to Agent and the Lenders of the security afforded thereby. To the maximum extent permitted by applicable law, if any Borrower or any other Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time not to exceed 10 Business Days (or such later date as Agent may agree in its sole discretion) following the receipt of a written request to do so, each Borrower and each other Loan Party hereby authorizes Agent to execute any such Additional Documents in the applicable Loan Party's name and authorizes Agent to file such executed Additional Documents in any appropriate filing office. In furtherance of, and not in limitation of, the foregoing, each Loan Party shall take such actions as Agent may reasonably request from time to time to ensure that the Obligations are guaranteed by the Guarantors and are secured by substantially all of the assets of the Loan Parties, including all of the outstanding capital Equity Interests of each Loan Party (other than OIS) and, to the extent otherwise required by Sections 5.11 or 5.12, its Subsidiaries (in each case, other than with respect to (A) any assets expressly excluded from the Collateral (as defined in the applicable Guaranty and Security Agreement) pursuant to Section 3 of the applicable Guaranty and Security

Agreement and (B) Real Property). Notwithstanding anything to the contrary contained herein (including Section 5.11 hereof and this Section 5.12) or in any other Loan Document, Agent shall not accept delivery of any joinder to any Loan Document with respect to any Subsidiary if such Subsidiary qualifies as a “legal entity customer” under the Beneficial Ownership Regulation unless (1) OIS or such Subsidiary has delivered a Beneficial Ownership Certification to Agent and each Lender that has requested a Beneficial Ownership Certification in relation to such Subsidiary and (2) Agent and each Lender has completed its Patriot Act searches, OFAC/PEP searches and customary individual background checks for such Subsidiary, the results of which shall be satisfactory to Agent and each Lender.

**5.13. [Reserved].**

**5.14. Location of Inventory; Chief Executive Office.** Each Loan Party will, and will cause each of its Domestic Subsidiaries to, keep (a) their Inventory only at Permitted Locations and (b) their respective chief executive or registered offices only at the locations identified on Schedule 7 to the Guaranty and Security Agreement. Each Loan Party will use its commercially reasonable efforts to obtain Collateral Access Agreements for each of the locations identified on Schedule 7 to the applicable Guaranty and Security Agreement and Schedule 4.25 to this Agreement. Each Loan Party shall, promptly upon Agent’s request, provide a reasonably detailed listing of all Inventory located at Permitted Locations, which shall be in a form reasonably requested by the Agent.

**5.15. OFAC; Sanctions; Anti-Corruption Laws; Anti-Money Laundering Laws.** Each Loan Party will, and will cause each of its Subsidiaries to, comply (i) with all applicable Sanctions and (ii) in all material respects, with all Anti-Corruption Laws and Anti-Money Laundering Laws. Each of the Loan Parties and its Subsidiaries shall implement and maintain in effect policies and procedures reasonably designed to ensure compliance by the Loan Parties and their Subsidiaries and their respective directors, officers, employees, agents and Affiliates with Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws.

**5.16. [Reserved].**

**5.17. Employee Benefits.** Each Borrower will maintain and operate, and cause each of its Subsidiaries to maintain and operate, each Employee Benefit Plan in accordance with all applicable laws except where the failure to maintain or operate such an Employee Benefit Plan in accordance with applicable law could not reasonably be expected to have a Material Adverse Effect. Each Borrower will notify Agent within ten Business Days of (i) the formation of, or undertaking the duty to make a contribution to, any Pension Plan or Multiemployer Plan (other than contributions to a Pension Plan or Multiemployer Plan in place as of the date of this Agreement), or (ii) the receipt of any written notice from any Governmental Authority that any Loan Party has liability for excise taxes, fines, penalties, or damages for breach of fiduciary duty with respect to any Employee Benefit Plan or Multiemployer Plan under ERISA or the IRC, except, in each case, where the liability could not reasonably be expected to result in a Material Adverse Effect.

## 6. NEGATIVE COVENANTS.

Each Borrower covenants and agrees that, until the termination of all of the Commitments and the payment in full of the Obligations:

**6.1. Indebtedness.** Each Loan Party will not, and will not permit any of its Subsidiaries to, create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

**6.2. Liens.** Each Loan Party will not, and will not permit any of its Subsidiaries to, create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

**6.3. Restrictions on Fundamental Changes.** Each Loan Party will not, and will not permit any of its Subsidiaries to,

(a) Other than in order to consummate a Permitted Acquisition, enter into any merger, amalgamation, consolidation, reorganization, or recapitalization, or reclassify its Equity Interests, except for (i) any merger or amalgamation between Loan Parties; provided, if a Loan Party is party to any such transaction, then a Loan Party shall be the surviving or continuing entity thereof and, if a Borrower is party to any such transaction, then a Borrower shall be the surviving or continuing entity thereof, and if OIS is party to any such transaction, then OIS shall be the surviving or continuing entity thereof, (ii) any merger or amalgamation between a Loan Party and a Subsidiary of such Loan Party that is not a Loan Party so long as such Loan Party is the surviving entity of any such merger or amalgamation (or, in the case of an amalgamation, the continuing corporation resulting therefrom must be liable for the Obligations of such Loan Party under the Loan Documents), and (iii) any merger or amalgamation between Subsidiaries of any Loan Party that are not Loan Parties,

(b) liquidate, wind up, or dissolve itself (or suffer any liquidation, winding up or dissolution), except for (i) the liquidation, winding up or dissolution of non-operating Subsidiaries of any Loan Party with nominal assets and nominal liabilities, (ii) the liquidation, winding up or dissolution of a Loan Party (other than any Borrower) or any of its wholly-owned Subsidiaries so long as all of the assets (including any interest in any Equity Interests) of such Loan Party or Subsidiary are transferred to a Loan Party that is not liquidating, winding up or dissolving, or (iii) the liquidation, winding up or dissolution of a Subsidiary of any Loan Party that is not a Loan Party if the Borrowers determine in good faith that such liquidation, winding up or dissolution is in the best interests of the Borrowers, so long as all of the assets of such liquidating, winding up or dissolving Subsidiary are transferred to a Subsidiary of a Loan Party that is not liquidating, winding up or dissolving,

(c) suspend or cease operating a substantial portion of its or their business, taken as a whole, except as permitted pursuant to clauses (a) or (b) above or in connection with a transaction permitted under Section 6.4, or

(d) change its classification/status for U.S. federal income tax purposes.

**6.4. Disposal of Assets.** Other than Permitted Dispositions or transactions expressly permitted by Sections 6.3 or 6.9, each Loan Party will not, and will not permit any of its Subsidiaries to, convey, sell, lease, license, assign, transfer, or otherwise dispose of any of its or their assets (including by an allocation of assets among newly divided limited liability companies pursuant to a “plan of division”).

**6.5. Nature of Business.** Each Loan Party will not, and will not permit any of its Subsidiaries to, make any change in the nature of its or their business as described in Schedule 6.5 to this Agreement or acquire any properties or assets that are not reasonably related to the conduct of such business activities; provided, that the foregoing shall not prevent any Loan Party and its Subsidiaries from engaging in any business that is reasonably related or ancillary to its or their business.

**6.6. Prepayments and Amendments.** Each Loan Party will not, and will not permit any of its Subsidiaries to,

(a) Except in connection with Refinancing Indebtedness permitted by Section 6.1 or with Qualified Equity Interests,

(i) optionally prepay, redeem, defease, purchase, or otherwise acquire any Indebtedness of any Loan Party or its Subsidiaries, other than (A) the Obligations in accordance with this Agreement, (B) Hedge Obligations, (C) Permitted Intercompany Advances, (D) the 2023 Senior Notes or the 2026 Senior Notes, so long as (1) such payment is made solely with Pass-Through Proceeds or Excluded Equity Proceeds, (2) at the time such payment on the 2023 Senior Notes or the 2026 Senior Notes, as applicable, is made and immediately after giving effect thereto, no Event of Default exists, (3) the Administrative Borrower shall have given Agent prior written notice of such payment, and (4) on the date on which such payment is made, the Administrative Borrower shall have provided Agent with a certificate of a Responsible Officer regarding such payment in which such Responsible Officer (aa) certifies that the conditions precedent to such payment set forth in the foregoing clauses (1) through (3) have been satisfied; (bb) demonstrates to Agent’s satisfaction that the proceeds used to make such payment constituted either (x) Pass-Through Proceeds (including by demonstrating that such proceeds satisfy the conditions set forth in the definition of “Pass-Through Proceeds”) or (y) demonstrates to Agent’s satisfaction that the proceeds used to make such payment constituted Excluded Equity Proceeds (including by demonstrating that such proceeds satisfy the conditions set forth in the definition of “Excluded Equity Proceeds”); and (cc) attaches thereto a Pass-Through Proceeds Accounting or Excluded Equity Accounting, as applicable (all of which shall be prepared as of the date on which such payment is to be made and after giving effect thereto), with respect to all proceeds used to make such payment; (E) Indebtedness in respect of any LC Facility, or ~~(E)~~ any Indebtedness so long as the Payment Conditions are satisfied, or

(ii) make any payment on account of Indebtedness that has been contractually subordinated in right of payment to the Obligations if such payment is not permitted at such time under the subordination terms and conditions, or

(b) Directly or indirectly, amend, modify, or change any of the terms or provisions of:

(i) any agreement, instrument, document, indenture, or other writing evidencing or concerning Permitted Indebtedness other than (A) the Obligations in accordance with this Agreement, (B) Hedge Obligations, (C) Permitted Intercompany Advances, and (D) Indebtedness permitted under clauses (c), (h), (j) and (k) of the definition of “Permitted Indebtedness” if the effect thereof, either individually or in the aggregate, could reasonably be expected to be materially adverse to the interests of the Lenders, or

(ii) the Governing Documents of any Loan Party or any of its Subsidiaries if the effect thereof, either individually or in the aggregate, could reasonably be expected to be materially adverse to the interests of the Lenders.

**6.7. Restricted Payments.** Each Loan Party will not, and will not permit any of its Subsidiaries to, make any Restricted Payment; provided, that so long as it is permitted by law,

(a) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, OIS may make distributions to employees, former employees, officers, or directors of OIS (or any spouses, ex-spouses, or estates of any of the foregoing) on account of redemptions of Equity Interests of OIS held by such Persons; provided, that the aggregate amount of such redemptions made by OIS during the term of this Agreement plus the amount of Indebtedness outstanding under clause (l) of the definition of “Permitted Indebtedness” and the following clause (b), does not exceed \$5,000,000 in the aggregate,

(b) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, OIS may make distributions to employees, former employees, officers, or directors of OIS (or any spouses, ex-spouses, or estates of any of the foregoing), solely in the form of forgiveness of Indebtedness of such Persons owing to OIS on account of repurchases of the Equity Interests of OIS held by such Persons; provided, that such Indebtedness was incurred by such Persons solely to acquire Equity Interests of OIS; provided, further, that the aggregate amount of such forgiveness made by OIS during the term of this Agreement plus the amount of Indebtedness outstanding under clause (l) of the definition of “Permitted Indebtedness” and the foregoing clause (a), does not exceed \$5,000,000 in the aggregate,

(c) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, OIS may redeem Equity Interests of OIS granted to employees, officers, or directors of OIS (or any spouses, ex-spouses, or estates of any of the foregoing), solely to the extent required to pay withholding taxes incurred by such Persons on

account of Equity Interests of OIS granted to such Persons in connection with compensation and incentive programs,

(d) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, OIS's Subsidiaries may make distributions to OIS (i) in an amount sufficient to pay franchise taxes and other fees required to maintain the legal existence of the Loan Parties and their Subsidiaries to the extent actually used by OIS to pay such taxes, costs and expenses, and (ii) in an amount sufficient to pay out-of-pocket legal, accounting and filing costs and other expenses in the nature of overhead in the Ordinary Course of Business of the Loan Parties and their Subsidiaries,

(e) any wholly-owned Subsidiary may make Restricted Payments to its parent, and

(f) the Loan Parties and their Subsidiaries may make other Restricted Payments so long as the Payment Conditions are satisfied.

**6.8. Accounting Methods.** Each Loan Party will not, and will not permit any of its Subsidiaries to, modify or change its fiscal year or its method of accounting (other than as may be required to conform to GAAP).

**6.9. Investments.** Each Loan Party will not, and will not permit any of its Subsidiaries to, directly or indirectly, make or acquire any Investment or incur any liabilities (including contingent obligations) for or in connection with any Investment except for Permitted Investments.

**6.10. Transactions with Affiliates.** Each Loan Party will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction with any Affiliate of any Loan Party or any of its Subsidiaries except for:

(a) transactions between such Loan Party or its Subsidiaries, on the one hand, and any Affiliate of such Loan Party or its Subsidiaries, on the other hand, so long as such transactions are no less favorable, taken as a whole, to such Loan Party or its Subsidiaries, as applicable, than would be obtained in an arm's length transaction with a non-Affiliate (provided, that if a Loan Party and any Subsidiary which is not a Loan Party are parties to such transaction, such transaction shall be no less favorable to the applicable Loan Party),

(b) any indemnity provided for the benefit of directors (or comparable managers) of a Loan Party or one of its Subsidiaries so long as it has been approved by such Loan Party's or such Subsidiary's board of directors (or comparable governing body) in accordance with applicable law,

(c) the payment of reasonable compensation, severance, or employee benefit arrangements to employees, officers, and outside directors of a Loan Party or one of its Subsidiaries in the Ordinary Course of Business and consistent with industry practice so long as

it has been approved by such Loan Party's or such Subsidiary's board of directors (or comparable governing body) in accordance with applicable law,

(d) (i) transactions solely among the Loan Parties and (ii) transactions solely among Subsidiaries of Loan Parties that are not Loan Parties,

(e) transactions permitted by Section 6.1 (to the extent relating to Permitted Intercompany Advances), Section 6.3, Section 6.7, or Section 6.9,

(f) agreements for the non-exclusive licensing of intellectual property, or distribution of products, in each case, among the Loan Parties and their Subsidiaries for the purpose of the counterparty thereof operating its business, and agreements for the assignment of intellectual property from any Loan Party or any of its Subsidiaries to any Loan Party, and

(g) transactions conducted among the Loan Parties and their Subsidiaries in the ordinary course of business in a manner consistent with past practice (provided, that any single transaction or series of related transactions involving consideration which exceeds or are anticipated to exceed \$500,000 shall require the prior written consent of the Agent in its sole discretion).

**6.11. Use of Proceeds.** Each Loan Party will not, and will not permit any of its Subsidiaries to, use the proceeds of any Loan made hereunder for any purpose other than (a) on the Closing Date, (i) to repay, in full, the outstanding principal, accrued interest, and accrued fees and expenses owing under or in connection with the Existing Credit Facility, and (ii) to pay the fees, costs, and expenses incurred in connection with this Agreement, the other Loan Documents, and the transactions contemplated hereby and thereby, in each case, as set forth in the Flow of Funds Agreement, and (b) consistent with the terms and conditions hereof, for their lawful and permitted general corporate purposes; provided that (x) no part of the proceeds of the Loans will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors, (y) no part of the proceeds of any Loan or Letter of Credit will be used, directly or indirectly, to make any payments to a Sanctioned Entity or a Sanctioned Person, to fund any investments, loans or contributions in, or otherwise make such proceeds available to, a Sanctioned Entity or a Sanctioned Person, to fund any operations, activities or business of a Sanctioned Entity or a Sanctioned Person, or in any other manner that would result in a violation of Sanctions by any Person, and (z) that no part of the proceeds of any Loan or Letter of Credit will be used, directly or indirectly, in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws.

**6.12. Limitation on Issuance of Equity Interests.** Each Loan Party (other than OIS) will not, and will not permit any of its Subsidiaries to, issue or sell any of its Equity Interests to any Person other than a Loan Party,

**6.13. Inventory with Bailees.** Each Loan Party will not, and will not permit any of its Subsidiaries to, store its Inventory at any time with a bailee, warehouseman, or similar party except at Permitted Locations.

**6.14. Negative Pledge.** Each Loan Party will not, and will not permit any of its Domestic Subsidiaries to, create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its Real Property to the extent such Lien secures Indebtedness described in clauses (a), (b), (d), (f), or (h) of the definition of “Indebtedness” (other than the Obligations and Indebtedness which constitutes Permitted Purchase Money Indebtedness).

**6.15. Hedge Agreements.** Each Loan Party will not, and will not permit any of its Subsidiaries to, enter into any Hedge Agreement other than for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with such Loan Party’s or such Subsidiary’s operations and not for speculative purposes.

## **7. FINANCIAL COVENANT.**

OIS covenants and agrees that, until the termination of all of the Commitments and the payment in full of the Obligations, OIS will maintain a Fixed Charge Coverage Ratio, calculated for each 12 month period ending on the first day of any Covenant Testing Period and the last day of each fiscal month occurring until the end of any Covenant Testing Period (including the last day thereof), in each case of at least 1.00 to 1.00.

## **8. EVENTS OF DEFAULT.**

Any one or more of the following events shall constitute an event of default (each, an “Event of Default”) under this Agreement:

**8.1. Payments.** If Borrowers fail to pay when due and payable, or when declared due and payable, (a) all or any portion of the Obligations consisting of interest, fees, or charges due the Lender Group, reimbursement of Lender Group Expenses, or other amounts (other than any portion thereof constituting principal) constituting Obligations (including any portion thereof that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), and such failure continues for a period of three Business Days (or five Business Days after Agent has made a demand therefor, in the case of expenses which are reimbursable or indemnified by a Loan Party under this Agreement or any other Loan Document), (b) all or any portion of the principal of the Loans, or (c) any amount payable to the applicable Issuing Bank in reimbursement of any drawing under a Letter of Credit;

**8.2. Covenants.** If any Loan Party or any of its Subsidiaries:

(a) fails to perform or observe any covenant or other agreement contained in any of (i) Sections 3.6, 5.1, 5.2, 5.3 (solely if any Loan Party is not in good standing (or its equivalent) in its jurisdiction of organization), 5.7 (solely if any Loan Party refuses to allow Agent or its representatives or agents to visit any Loan Party’s properties, inspect its assets or

books or records, examine and make copies of its books and records, or discuss the Loan Parties' affairs, finances, and accounts with officers and employees of any Loan Party), 5.10, 5.11, or 5.14 of this Agreement, (ii) Section 6 of this Agreement, (iii) Section 7 of this Agreement, or (iv) Section 7 of the applicable Guaranty and Security Agreement;

(b) fails to perform or observe any covenant or other agreement contained in any of Sections 5.3 (other than if any Loan Party is not in good standing (or its equivalent) in its jurisdiction of organization), 5.4, 5.6, 5.8, and 5.12 of this Agreement and such failure continues for a period of ten days after the earlier of (i) the date on which such failure shall first become known to any officer of any Borrower, or (ii) the date on which written notice thereof is given to Borrowers by Agent; or

(c) fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is the subject of another provision of this Section 8 (in which event such other provision of this Section 8 shall govern), and such failure continues for a period of thirty days after the earlier of (i) the date on which such failure shall first become known to any officer of any Borrower, or (ii) the date on which written notice thereof is given to Borrowers by Agent;

**8.3. Judgments.** If one or more judgments, orders, requirements to pay issued by any Governmental Authority or awards for the payment of money involving an aggregate amount of \$17,500,000, or more (except to the extent fully covered (other than to the extent of customary deductibles) by insurance pursuant to which the insurer has not denied coverage) is entered or filed against a Loan Party or any of its Subsidiaries, or with respect to any of their respective assets, and either (a) there is a period of thirty consecutive days at any time after the entry of any such judgment, order, or award during which (i) the same is not discharged, satisfied, vacated, or bonded pending appeal, or (ii) a stay of enforcement thereof is not in effect, or (b) enforcement proceedings are commenced upon such judgment, order, or award;

**8.4. Voluntary Bankruptcy, etc.** If an Insolvency Proceeding is commenced by a Loan Party or any of its Subsidiaries;

**8.5. Involuntary Bankruptcy, etc.** If an Insolvency Proceeding is commenced against a Loan Party or any of its Subsidiaries and any of the following events occur: (a) such Loan Party or such Subsidiary consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within sixty calendar days of the date of the filing thereof, (d) an interim trustee, receiver or receiver-manager is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Loan Party or its Subsidiary, or (e) an order for relief shall have been issued or entered therein;

**8.6. Default Under Other Agreements.** If there is a default in one or more other agreements to which a Loan Party or any of its Subsidiaries is a party with one or more third Persons relative to a Loan Party's or any of its Subsidiaries' Indebtedness involving an aggregate

amount of \$17,500,000 or more, and, in either case, such default (a) occurs at the final maturity of the obligations thereunder or (b) results in a right by such third Person, irrespective of whether exercised, to accelerate the maturity of such Loan Party's or its Subsidiary's obligations thereunder; provided, however, that, any of the foregoing provisions of this Section 8.6 to the contrary notwithstanding, the Seller Note shall be disregarded in all calculations under this Section 8.6.

**8.7. Representations, etc.** If any warranty, representation, certificate, statement, or Record made herein or in any other Loan Document or delivered in writing to Agent or any Lender in connection with this Agreement or any other Loan Document proves to be untrue in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of the date of issuance or making or deemed making thereof;

**8.8. Guaranty.** If the obligation of any Guarantor under the guaranty contained in the applicable Guaranty and Security Agreement is limited or terminated by operation of law or by such Guarantor (other than in accordance with the terms of this Agreement) or if any Guarantor repudiates or revokes or purports to repudiate or revoke any such guaranty;

**8.9. Security Documents.** If the Guaranty and Security Agreement or any other Loan Document that purports to create a Lien shall, for any reason, fail or cease to create a valid, enforceable and perfected and (except to the extent of Permitted Liens which are non-consensual Permitted Liens, permitted purchase money Liens or the interests of lessors under Capital Leases) first priority Lien on the Collateral covered thereby, except (a) as a result of a disposition of the applicable Collateral in a transaction permitted under this Agreement or (b) with respect to Collateral the aggregate value of which, for all such Collateral, does not exceed at any time, \$2,500,000;

**8.10. Loan Documents.** The validity or enforceability of any Loan Document shall at any time for any reason (other than solely as the result of an action or failure to act on the part of Agent) be declared to be null and void, or a proceeding shall be commenced by a Loan Party or its Subsidiaries, or by any Governmental Authority having jurisdiction over a Loan Party or its Subsidiaries, seeking to establish the invalidity or unenforceability thereof, or a Loan Party or its Subsidiaries shall deny that such Loan Party or its Subsidiaries has any liability or obligation purported to be created under any Loan Document; or

**8.11. Change of Control.** A Change of Control shall occur, whether directly or indirectly.

**8.12. ERISA.** The occurrence of any of the following events: (a) any Loan Party or ERISA Affiliate fails to make full payment when due of all amounts which any Loan Party or ERISA Affiliate is required to pay as contributions, installments, or otherwise to or with respect to a Pension Plan or Multiemployer Plan, and such failure could reasonably be expected to result in liability in excess of \$17,500,000, (b) an accumulated funding deficiency or funding shortfall in excess of \$17,500,000 occurs or exists, whether or not waived, with respect to any Pension Plan, individually or in the aggregate, (c) a Notification Event, which could reasonably be

expected to result in liability in excess of \$17,500,000, either individually or in the aggregate, or (d) any Loan Party or ERISA Affiliate completely or partially withdraws from one or more Multiemployer Plans and incurs Withdrawal Liability in excess of \$17,500,000 in the aggregate, or fails to make any Withdrawal Liability payment when due.

## **9. RIGHTS AND REMEDIES.**

**9.1. Rights and Remedies.** Upon the occurrence and during the continuation of an Event of Default, Agent may, and, at the instruction of the Required Lenders, shall, in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by applicable law, do any one or more of the following:

(a) by written notice to Borrowers, (i) declare the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Loan Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrowers shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by each Borrower, and (ii) direct Borrowers to provide (and Borrowers agree that upon receipt of such notice Borrowers will provide) Letter of Credit Collateralization to Agent to be held as security for Borrowers' reimbursement obligations for drawings that may subsequently occur under issued and outstanding Letters of Credit;

(b) by written notice to Borrowers, declare the Commitments terminated, whereupon the Commitments shall immediately be terminated together with (i) any obligation of any Revolving Lender to make Revolving Loans, (ii) the obligation of the Swing Lender to make Swing Loans, and (iii) the obligation of any Issuing Bank to issue Letters of Credit; and

(c) exercise all other rights and remedies available to Agent or the Lenders under the Loan Documents, under applicable law, or in equity.

The foregoing notwithstanding, upon the occurrence of any Event of Default described in Section 8.4 or Section 8.5, in addition to the remedies set forth above, without any notice to Borrowers or any other Person or any act by the Lender Group, the Commitments shall automatically terminate and the Obligations (other than the Bank Product Obligations), inclusive of the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Loan Documents, shall automatically become and be immediately due and payable and Borrowers shall automatically be obligated to repay all of such Obligations in full (including Borrowers being obligated to provide (and Borrowers agree that they will provide) (1) Letter of Credit Collateralization to Agent to be held as security for Borrowers' reimbursement obligations in respect of drawings that may subsequently occur under issued and outstanding Letters of Credit and (2) Bank Product Collateralization to be held as security for Borrowers' or their Subsidiaries' obligations in respect of outstanding Bank Products), without presentment, demand, protest, or notice or other requirements of any kind, all of which are expressly waived by Borrowers.

**9.2. Remedies Cumulative.** The rights and remedies of the Lender Group under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. The Lender Group shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by the Lender Group of one right or remedy shall be deemed an election, and no waiver by the Lender Group of any Default or Event of Default shall be deemed a continuing waiver. No delay by the Lender Group shall constitute a waiver, election, or acquiescence by it.

## **10. WAIVERS; INDEMNIFICATION.**

**10.1. Demand; Protest; etc.** Each Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by the Lender Group on which any Borrower may in any way be liable.

**10.2. The Lender Group's Liability for Collateral.** Each Borrower hereby agrees that: (a) so long as Agent complies with its obligations, if any, under the Code, the Lender Group shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by the Loan Parties.

**10.3. Indemnification.** Each Borrower shall pay, indemnify, defend, and hold the Agent-Related Persons, the Lender-Related Persons, and each Issuing Bank (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys (limited to the reasonable fees and disbursements of one firm of counsel for all Agent-Related Persons, Lender-Related Persons, and Issuing Banks, plus the fees and disbursements of any special or local counsel reasonably required or requested by Agent, plus, in the case of each perceived or actual conflict of interest among such Persons or any of them, the reasonable fees and disbursements of one firm of conflicts counsel (for those of such Persons who are similarly situated in respect of such conflict of interest)), experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery (provided, that Borrowers shall not be liable for costs and expenses (including attorneys' fees) of any Lender (other than Wells Fargo) incurred in advising, structuring, drafting, reviewing, administering or syndicating the Loan Documents), enforcement, performance, or administration (including any restructuring or workout with respect hereto) of this Agreement, any of the other Loan Documents, or the transactions contemplated hereby or thereby or the monitoring of Borrowers' and their Subsidiaries' compliance with the terms of the Loan Documents (provided, that the indemnification in this

clause (a) shall not extend to (i) disputes solely between or among the Lenders that do not involve any acts or omissions of any Loan Party, or (ii) disputes solely between or among the Lenders and their respective Affiliates that do not involve any acts or omissions of any Loan Party; it being understood and agreed that the indemnification in this clause (a) shall extend to Agent (but not the Lenders unless the dispute involves an act or omission of a Loan Party) relative to disputes between or among Agent on the one hand, and one or more Lenders, or one or more of their Affiliates, on the other hand, or (iii) any claims for Taxes, which shall be governed by Section 16, other than Taxes which relate to primarily non-Tax claims), (b) with respect to any actual or prospective investigation, litigation, or proceeding related to this Agreement, any other Loan Document, the making of any Loans or issuance of any Letters of Credit hereunder, or the use of the proceeds of the Loans or the Letters of Credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, and (c) in connection with or arising out of any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by any Loan Party or any of its Subsidiaries or any Environmental Actions, Environmental Liabilities or Remedial Actions related in any way to any such assets or properties of any Loan Party or any of its Subsidiaries (each and all of the foregoing, the “Indemnified Liabilities”). The foregoing to the contrary notwithstanding, no Borrower shall have any obligation to any Indemnified Person under this Section 10.3 with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of such Indemnified Person or its officers, directors, employees, attorneys, or agents. This provision shall survive the termination of this Agreement and the repayment in full of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrowers were required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrowers with respect thereto. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

## **11. NOTICES.**

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to any Loan Party or Agent, as the case may be, they shall be sent to the respective address set forth below:

If to any Loan Party: **c/o ADMINISTRATIVE BORROWER**

Three Allen Center  
333 Clay Street  
Suite 4620  
Houston, Texas 77002  
Attn: General Counsel, Chief Financial Officer and Director – Treasury Management  
Fax No.: (713) 622-0909

with copies to: **SIMPSON THACHER & BARTLETT LLP**

600 Travis Street  
Suite 5400  
Houston, Texas 77002  
Attn: Robert Rabalais, Esq.  
Fax No.: (713) 821-5602

If to Agent: **WELLS FARGO BANK, NATIONAL ASSOCIATION**

1100 Abernathy Road  
Suite 1600  
Atlanta, GA 30328  
Attn: Loan Portfolio Manager  
Fax No.: (855) 818-1936

with copies to: **GREENBERG TRAURIG, LLP**

3333 Piedmont Road, Suite 2500  
Atlanta, Georgia 30305  
Attn: Timothy W. Bratcher, Esq.  
Fax No.: (678) 553-2361

Any party hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 11, shall be deemed received on the earlier of the date of actual receipt or three Business Days after the deposit thereof in the mail; provided, that (a) notices sent by overnight courier service shall be deemed to have been given when received, (b) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient) and (c) notices by electronic mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment).

**12. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.**

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 12(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY LOAN PARTY AGAINST THE AGENT, THE SWING LENDER, ANY OTHER LENDER, ANY ISSUING BANK, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OR LOSSES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION THEREWITH, AND EACH LOAN PARTY HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

### 13. ASSIGNMENTS AND PARTICIPATIONS; SUCCESSORS.

#### 13.1. Assignments and Participations.

(a) (i) Subject to the conditions set forth in clause (a)(ii) below, any Lender may assign and delegate all or any portion of its rights and duties under the Loan Documents (including the Obligations owed to it and its Commitments) to one or more assignees so long as such prospective assignee is an Eligible Transferee (each, an “Assignee”), with the prior written consent (such consent not be unreasonably withheld or delayed) of:

(A) Borrowers; provided, that no consent of Borrowers shall be required (1) if an Event of Default under Sections 8.1, 8.2(a)(i) (with respect to Sections 5.1 and 5.2), 8.2(a)(ii), 8.2(a)(iii), 8.2(a)(iv), 8.4, 8.5, and 8.7 (with respect to representations in any Borrowing Base Certificate) has occurred and is continuing, or (2) in connection with an assignment to a Person that is a Lender or an Affiliate (other than natural persons) of a Lender; provided further, that Borrowers shall be deemed to have consented to a proposed assignment unless

they object thereto by written notice to Agent within ten Business Days after having received written notice thereof; and

(B) Agent, Swing Lender, and each Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

(A) no assignment may be made to a natural person,

(B) no assignment may be made to a Loan Party or an Affiliate of a Loan Party,

(C) the amount of the Commitments and the other rights and obligations of the assigning Lender hereunder and under the other Loan Documents subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to Agent) shall be in a minimum amount (unless waived by Agent) of \$5,000,000 (except such minimum amount shall not apply to (I) an assignment or delegation by any Lender to any other Lender, an Affiliate of any Lender, or a Related Fund of such Lender, or (II) a group of new Lenders, each of which is an Affiliate of each other or a Related Fund of such new Lender to the extent that the aggregate amount to be assigned to all such new Lenders is at least \$5,000,000),

(D) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement,

(E) the parties to each assignment shall execute and deliver to Agent an Assignment and Acceptance; provided, that Borrowers and Agent may continue to deal solely and directly with the assigning Lender in connection with the interest so assigned to an Assignee until written notice of such assignment, together with payment instructions, addresses, and related information with respect to the Assignee, have been given to Borrowers and Agent by such Lender and the Assignee,

(F) unless waived by Agent, the assigning Lender or Assignee has paid to Agent, for Agent's separate account, a processing fee in the amount of \$3,500, and

(G) the assignee, if it is not a Lender, shall deliver to Agent an Administrative Questionnaire in a form approved by Agent (the "Administrative Questionnaire").

(b) From and after the date that Agent receives the executed Assignment and Acceptance and, if applicable, payment of the required processing fee, (i) the Assignee

thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, shall be a “Lender” and shall have the rights and obligations of a Lender under the Loan Documents, and (ii) the assigning Lender shall, to the extent that rights and obligations hereunder and under the other Loan Documents have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except with respect to Section 10.3) and be released from any future obligations under this Agreement (and in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender’s rights and obligations under this Agreement and the other Loan Documents, such Lender shall cease to be a party hereto and thereto); provided, that nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender’s obligations under Section 15 and Section 17.9(a).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the Assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto, (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto, (iii) such Assignee confirms that it has received a copy of this Agreement, together with such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance, (iv) such Assignee will, independently and without reliance upon Agent, such assigning Lender or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement, (v) such Assignee appoints and authorizes Agent to take such actions and to exercise such powers under this Agreement and the other Loan Documents as are delegated to Agent, by the terms hereof and thereof, together with such powers as are reasonably incidental thereto, and (vi) such Assignee agrees that it will perform all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) Immediately upon Agent’s receipt of the required processing fee, if applicable, and delivery of notice to the assigning Lender pursuant to Section 13.1(b), this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to reflect the addition of the Assignee and the resulting adjustment of the Commitments arising therefrom. The Commitment allocated to each Assignee shall reduce such Commitments of the assigning Lender *pro tanto*.

(e) Any Lender may at any time sell to one or more commercial banks, financial institutions, or other Persons (a “Participant”) participating interests in all or any portion of its Obligations, its Commitment, and the other rights and interests of that Lender (the

“Originating Lender”) hereunder and under the other Loan Documents; provided, that (i) the Originating Lender shall remain a “Lender” for all purposes of this Agreement and the other Loan Documents and the Participant receiving the participating interest in the Obligations, the Commitments, and the other rights and interests of the Originating Lender hereunder shall not constitute a “Lender” hereunder or under the other Loan Documents and the Originating Lender’s obligations under this Agreement shall remain unchanged, (ii) the Originating Lender shall remain solely responsible for the performance of such obligations, (iii) Borrowers, Agent, and the Lenders shall continue to deal solely and directly with the Originating Lender in connection with the Originating Lender’s rights and obligations under this Agreement and the other Loan Documents, (iv) no Lender shall transfer or grant any participating interest under which the Participant has the right to approve any amendment to, or any consent or waiver with respect to, this Agreement or any other Loan Document, except to the extent such amendment to, or consent or waiver with respect to this Agreement or of any other Loan Document would (A) extend the final maturity date of the Obligations hereunder in which such Participant is participating, (B) reduce the interest rate applicable to the Obligations hereunder in which such Participant is participating, (C) release all or substantially all of the Collateral or guaranties (except to the extent expressly provided herein or in any of the Loan Documents) supporting the Obligations hereunder in which such Participant is participating, (D) postpone the payment of, or reduce the amount of, the interest or fees payable to such Participant through such Lender (other than a waiver of default interest), or (E) decrease the amount or postpone the due dates of scheduled principal repayments or prepayments or premiums payable to such Participant through such Lender, (v) no participation shall be sold to a natural person, (vi) no participation shall be sold to a Loan Party or an Affiliate of a Loan Party, and (vii) all amounts payable by Borrowers hereunder shall be determined as if such Lender had not sold such participation, except that, if amounts outstanding under this Agreement are due and unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of set off in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement. The rights of any Participant only shall be derivative through the Originating Lender with whom such Participant participates and no Participant shall have any rights under this Agreement or the other Loan Documents or any direct rights as to the other Lenders, Agent, Borrowers, the Collateral, or otherwise in respect of the Obligations. No Participant shall have the right to participate directly in the making of decisions by the Lenders among themselves.

(f) In connection with any such assignment or participation or proposed assignment or participation or any grant of a security interest in, or pledge of, its rights under and interest in this Agreement, a Lender may, subject to the provisions of Section 17.9, disclose all documents and information which it now or hereafter may have relating to any Loan Party and its Subsidiaries and their respective businesses.

(g) Any other provision in this Agreement notwithstanding, any Lender may at any time create a security interest in, or pledge, all or any portion of its rights under and interest in this Agreement to secure obligations of such Lender, including any pledge in favor of any Federal Reserve Bank in accordance with Regulation A of the Federal Reserve Bank or U.S.

Treasury Regulation 31 CFR §203.24, and such Federal Reserve Bank may enforce such pledge or security interest in any manner permitted under applicable law; provided, that no such pledge shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(h) Agent (as a non-fiduciary agent on behalf of Borrowers) shall maintain, or cause to be maintained, a register (the “Register”) on which it enters the name and address of each Lender as the registered owner of the Revolving Loan (and the principal amount thereof and stated interest thereon) held by such Lender (each, a “Registered Loan”). Other than in connection with an assignment by a Lender of all or any portion of its portion of the Revolving Loan to an Affiliate of such Lender or a Related Fund of such Lender (i) a Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register (and each registered note shall expressly so provide) and (ii) any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or sale of any Registered Loan (and the registered note, if any evidencing the same), Borrowers shall treat the Person in whose name such Registered Loan (and the registered note, if any, evidencing the same) is registered as the owner thereof for the purpose of receiving all payments thereon and for all other purposes, notwithstanding notice to the contrary. In the case of any assignment by a Lender of all or any portion of its Revolving Loan to an Affiliate of such Lender or a Related Fund of such Lender, and which assignment is not recorded in the Register, the assigning Lender, on behalf of Borrowers, shall maintain a register comparable to the Register. The Register and any register for Affiliate transfers are intended to be maintained such that the Revolving Loans are in registered form for the purposes of the IRC.

(i) In the event that a Lender sells participations in the Registered Loan, such Lender, as a non-fiduciary agent on behalf of Borrowers, shall maintain (or cause to be maintained) a register on which it enters the name of all participants in the Registered Loans held by it (and the principal amount (and stated interest thereon) of the portion of such Registered Loans that is subject to such participations) (the “Participant Register”). A Registered Loan (and the registered note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register. No Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant’s interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under the IRC, including under Section 5f.103-1(c) of the United States Treasury Regulations or

its successor. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(j) Agent shall make a copy of the Register (and each Lender shall make a copy of its Participant Register to the extent it has one) available for review by Borrowers from time to time as Borrowers may reasonably request.

**13.2. Successors.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, that no Borrower may assign this Agreement or any rights or duties hereunder without the Lenders' prior written consent and any prohibited assignment shall be absolutely void *ab initio*. No consent to assignment by the Lenders shall release any Borrower from its Obligations. A Lender may assign this Agreement and the other Loan Documents and its rights and duties hereunder and thereunder pursuant to Section 13.1 and, except as expressly required pursuant to Section 13.1, no consent or approval by any Borrower is required in connection with any such assignment.

## **14. AMENDMENTS; WAIVERS.**

### **14.1. Amendments and Waivers.**

(a) No amendment, waiver or other modification of any provision of this Agreement or any other Loan Document (other than the Fee Letter), and no consent with respect to any departure by any Borrower therefrom, shall be effective unless the same shall be in writing and signed by the Required Lenders (or by Agent at the written request of the Required Lenders) and the Loan Parties that are party thereto and then any such waiver or consent shall be effective, but only in the specific instance and for the specific purpose for which given; provided, that no such waiver, amendment, or consent shall, unless in writing and signed by all of the Lenders directly and adversely affected thereby and all of the Loan Parties that are party thereto, do any of the following:

(i) increase the amount of or extend the expiration date of any Commitment of any Lender or amend, modify, or eliminate the penultimate sentence of Section 2.4(c),

(ii) postpone or delay any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees, or other amounts due hereunder or under any other Loan Document,

(iii) reduce the principal of, or the rate of interest on, any loan or other extension of credit hereunder, or reduce any fees or other amounts payable hereunder or under any other Loan Document (except (y) in connection with the waiver of applicability of Section 2.6(c) (which waiver shall be effective with the written consent of the Required Lenders), and (z) that any amendment or modification of defined terms used

in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or a reduction of fees for purposes of this clause (iii)),

(iv) amend, modify, or eliminate this Section or any provision of this Agreement providing for consent or other action by all Lenders in a manner that would reduce the voting rights of any Lender,

(v) amend, modify, or eliminate Section 3.1 or 3.2,

(vi) amend, modify, or eliminate Section 15.11,

(vii) other than as permitted by Section 15.11, (A) release or contractually subordinate Agent's Lien in and to any of the Collateral to any other Lien securing other Indebtedness or (B) subordinate the Obligations hereunder in right of payment to any other Indebtedness other than, in each case, (1) Indebtedness that is expressly permitted by this Agreement to be senior to the Obligations or to be secured by a Lien that is senior to the Liens securing the Obligations or (2) any "debtor-in-possession" facility or use of cash collateral in any Insolvency Proceeding,

(viii) amend, modify, or eliminate the definitions of "Required Lenders", "Supermajority Lenders," or "Pro Rata Share",

(ix) other than in connection with a merger, liquidation, dissolution or sale of such Person expressly permitted by the terms hereof or the other Loan Documents, release any Borrower or any Guarantor from any obligation for the payment of money or consent to the assignment or transfer by any Borrower or any Guarantor of any of its rights or duties under this Agreement or the other Loan Documents,

(x) amend, modify, or eliminate any of the provisions of Section 2.4(b)(i), (ii) or (iii) or Section 2.4(e) or (f),

(xi) at any time that any Real Property is included in the Collateral, add, increase, renew or extend any Loan, Letter of Credit or Commitment hereunder until the completion of flood due diligence, documentation and coverage as is satisfactory to all Lenders,

(xii) amend, modify, or eliminate any of the provisions of Section 13.1 with respect to assignments to, or participations with, Persons who are Loan Parties or Affiliates of a Loan Party, or

(xiii) amend, modify, or eliminate Section 6.14;

(b) No amendment, waiver, modification, or consent shall amend, modify, waive, or eliminate,

(i) the definition of, or any of the terms or provisions of, the Fee Letter, without the written consent of Agent and Borrowers (and shall not require the written consent of any of the Lenders),

(ii) any provision of Section 15 pertaining to Agent, or any other rights or duties of Agent under this Agreement or the other Loan Documents, without the written consent of Agent, Borrowers, and the Required Lenders;

(c) No amendment, waiver, modification, elimination, or consent shall amend, without written consent of Agent, Borrowers and the Supermajority Lenders, modify, or eliminate the definition of “Borrowing Base” or any of the defined terms (including the definitions of Eligible Accounts, Eligible Billed Accounts, Eligible Unbilled Accounts, Eligible Progress Billings, Eligible Finished Goods Inventory, Eligible Raw Materials Inventory and Eligible Inventory) that are used in such definition to the extent that any such change results in more credit being made available to Borrowers based upon the Borrowing Base, but not otherwise, or the definition of “Maximum Revolver Amount”, or change Section 2.1(d);

(d) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to any Issuing Bank, or any other rights or duties of any Issuing Bank under this Agreement or the other Loan Documents, without the written consent of such Issuing Bank, Agent, Borrowers, and the Required Lenders;

(e) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to Swing Lender, or any other rights or duties of the Swing Lender under this Agreement or the other Loan Documents, without the written consent of Swing Lender, Agent, Borrowers, and the Required Lenders; and

(f) Anything in this Section 14.1 to the contrary notwithstanding, (i) any amendment, modification, elimination, waiver, consent, termination, or release of, or with respect to, any provision of this Agreement or any other Loan Document that relates only to the relationship of the Lender Group among themselves, and that does not affect the rights or obligations of any Loan Party, shall not require consent by or the agreement of any Loan Party, (ii) any amendment, waiver, modification, elimination, or consent of or with respect to any provision of this Agreement or any other Loan Document may be entered into without the consent of, or over the objection of, any Defaulting Lender other than any of the matters governed by Section 14.1(a)(i) through (iii) that affect such Lender, (iii) any amendment contemplated by Section 2.12(d)(iii) of this Agreement in connection with a Benchmark Transition Event shall be effective as contemplated by such Section 2.12(d)(iii) hereof and (iv) any amendment contemplated by Section 2.6(g) of this Agreement in connection with the use or administration of Term SOFR shall be effective as contemplated by such Section 2.6(g).

#### **14.2. Replacement of Certain Lenders.**

(a) If (i) any action to be taken by the Lender Group or Agent hereunder requires the consent, authorization, or agreement of all Lenders or all Lenders affected thereby and if such action has received the consent, authorization, or agreement of the Required Lenders but not of all Lenders or all Lenders affected thereby, or (ii) any Lender makes a claim for compensation under Section 16, then Borrowers or Agent, upon at least five Business Days prior irrevocable notice, may permanently replace any Lender that failed to give its consent, authorization, or agreement (a “Non-Consenting Lender”), together with its Affiliates, or any Lender that made a claim for compensation (a “Tax Lender”), together with its Affiliates, with one or more Replacement Lenders, and the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall have no right to refuse to be replaced hereunder. Such notice to replace the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given.

(b) Prior to the effective date of such replacement, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, and each Replacement Lender shall execute and deliver an Assignment and Acceptance, subject only to the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, being repaid in full its share of the outstanding Obligations (without any premium or penalty of any kind whatsoever, but including (i) all interest, fees and other amounts that may be due in payable in respect thereof, (ii) an assumption of its Pro Rata Share of participations in the Letters of Credit, and (iii) Funding Losses). If the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, Agent may, but shall not be required to, execute and deliver such Assignment and Acceptance in the name or and on behalf of the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, and irrespective of whether Agent executes and delivers such Assignment and Acceptance, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall be made in accordance with the terms of Section 13.1. Until such time as one or more Replacement Lenders shall have acquired all of the Obligations, the Commitments, and the other rights and obligations of the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, hereunder and under the other Loan Documents, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall remain obligated to make the Non-Consenting Lender’s (and its Affiliates’) or Tax Lender’s (and its Affiliates’), as applicable, Pro Rata Share of Revolving Loans and to purchase a participation in each Letter of Credit, in an amount equal to its Pro Rata Share of participations in such Letters of Credit.

**14.3. No Waivers; Cumulative Remedies.** No failure by Agent or any Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by Agent or any Lender in exercising the same, will operate as a waiver thereof. No

waiver by Agent or any Lender will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by Agent or any Lender on any occasion shall affect or diminish Agent's and each Lender's rights thereafter to require strict performance by Borrowers of any provision of this Agreement. Agent's and each Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that Agent or any Lender may have.

## **15. AGENT; THE LENDER GROUP.**

**15.1. Appointment and Authorization of Agent.** Each Lender hereby designates and appoints Wells Fargo as its agent under this Agreement and the other Loan Documents and each Lender hereby irrevocably authorizes (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to designate, appoint, and authorize) Agent to execute and deliver each of the other Loan Documents on its behalf and to take such other action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to Agent by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Agent agrees to act as agent for and on behalf of the Lenders (and the Bank Product Providers) on the conditions contained in this Section 15. Any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document notwithstanding, Agent shall not have any duties or responsibilities, except those expressly set forth herein or in the other Loan Documents, nor shall Agent have or be deemed to have any fiduciary relationship with any Lender (or Bank Product Provider), and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Agent. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement or the other Loan Documents with reference to Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only a representative relationship between independent contracting parties. Each Lender hereby further authorizes (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent to act as the secured party under each of the Loan Documents that create a Lien on any item of Collateral. Except as expressly otherwise provided in this Agreement, Agent shall have and may use its sole discretion with respect to exercising or refraining from exercising any discretionary rights or taking or refraining from taking any actions that Agent expressly is entitled to take or assert under or pursuant to this Agreement and the other Loan Documents. Without limiting the generality of the foregoing, or of any other provision of the Loan Documents that provides rights or powers to Agent, Lenders agree that Agent shall have the right to exercise the following powers as long as this Agreement remains in effect: (a) maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Collateral, payments and proceeds of Collateral, and related matters, (b) execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to the Loan Documents, or to take any other action with respect to any Collateral or Loan Documents which may be necessary to perfect, and maintain perfected, the security interests and Liens upon

Collateral pursuant to the Loan Documents, (c) make Revolving Loans, for itself or on behalf of Lenders, as provided in the Loan Documents, (d) exclusively receive, apply, and distribute payments and proceeds of the Collateral as provided in the Loan Documents, (e) open and maintain such bank accounts and cash management arrangements as Agent deems necessary and appropriate in accordance with the Loan Documents for the foregoing purposes, (f) perform, exercise, and enforce any and all other rights and remedies of the Lender Group with respect to any Loan Party or its Subsidiaries, the Obligations, the Collateral, or otherwise related to any of same as provided in the Loan Documents, and (g) incur and pay such Lender Group Expenses as Agent may deem necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to the Loan Documents. Nothing contained herein shall be deemed to authorize the Agent to authorize or consent to or accept or adopt on behalf of any Lender or Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Issuing Bank or to authorize the Agent to vote in respect of the claim of any Lender or Issuing Bank in any such proceeding.

**15.2. Delegation of Duties.** Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Agent shall not be responsible for the negligence or misconduct of any agent or attorney in fact that it selects as long as such selection was made without gross negligence, bad faith or willful misconduct.

**15.3. Liability of Agent.** None of the Agent-Related Persons shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct), or (b) be responsible in any manner to any of the Lenders (or Bank Product Providers) for any recital, statement, representation or warranty made by any Loan Party or any of its Subsidiaries or Affiliates, or any officer or director thereof, contained in this Agreement or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or for any failure of any Loan Party or its Subsidiaries or any other party to any Loan Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Lenders (or Bank Product Providers) to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the books and records or properties of any Loan Party or its Subsidiaries. No Agent-Related Person shall have any liability to any Lender, and Loan Party or any of their respective Affiliates if any request for a Loan, Letter of Credit or other extension of credit was not authorized by the applicable Borrower. Agent shall not be required to take any action that, in its opinion or in the opinion of its counsel, may expose it to liability or that is contrary to any Loan Document or applicable law or regulation.

**15.4. Reliance by Agent.** Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, telefacsimile or other electronic method of transmission, telex or telephone message, statement

or other document or conversation believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to Borrowers or counsel to any Lender), independent accountants and other experts selected by Agent. Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless Agent shall first receive such advice or concurrence of the Lenders as it deems appropriate and until such instructions are received, Agent shall act, or refrain from acting, as it deems advisable. If Agent so requests, it shall first be indemnified to its reasonable satisfaction by the Lenders (and, if it so elects, the Bank Product Providers) against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders (and Bank Product Providers).

**15.5. Notice of Default or Event of Default.** Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest, fees, and expenses required to be paid to Agent for the account of the Lenders and, except with respect to Events of Default of which Agent has actual knowledge, unless Agent shall have received written notice from a Lender or Borrowers referring to this Agreement, describing such Default or Event of Default, and stating that such notice is a “notice of default.” Agent promptly will notify the Lenders of its receipt of any such notice or of any Event of Default of which Agent has actual knowledge. If any Lender obtains actual knowledge of any Event of Default, such Lender promptly shall notify the other Lenders and Agent of such Event of Default. Each Lender shall be solely responsible for giving any notices to its Participants, if any. Subject to Section 15.4, Agent shall take such action with respect to such Default or Event of Default as may be requested by the Required Lenders in accordance with Section 9; provided, that unless and until Agent has received any such request, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable.

**15.6. Credit Decision.** Each Lender (and Bank Product Provider) acknowledges that none of the Agent-Related Persons has made any representation or warranty to it, and that no act by Agent hereinafter taken, including any review of the affairs of any Loan Party and its Subsidiaries or Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender (or Bank Product Provider). Each Lender represents (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to represent) to Agent that it has, independently and without reliance upon any Agent-Related Person and based on such due diligence, documents and information as it has deemed appropriate, made its own appraisal of any investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of each Borrower or any other Person party to a Loan Document, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to Borrowers. Each Lender also represents (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to represent) that it will, independently

and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of each Borrower or any other Person party to a Loan Document. Except for notices, reports, and other documents expressly herein required to be furnished to the Lenders by Agent, Agent shall not have any duty or responsibility to provide any Lender (or Bank Product Provider) with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Borrower or any other Person party to a Loan Document that may come into the possession of any of the Agent-Related Persons. Each Lender acknowledges (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that Agent does not have any duty or responsibility, either initially or on a continuing basis (except to the extent, if any, that is expressly specified herein) to provide such Lender (or Bank Product Provider) with any credit or other information with respect to any Borrower, its Affiliates or any of their respective business, legal, financial or other affairs, and irrespective of whether such information came into Agent's or its Affiliates' or representatives' possession before or after the date on which such Lender became a party to this Agreement (or such Bank Product Provider entered into a Bank Product Agreement).

**15.7. Costs and Expenses; Indemnification.** Agent may incur and pay Lender Group Expenses to the extent Agent reasonably deems necessary or appropriate for the performance and fulfillment of its functions, powers, and obligations pursuant to the Loan Documents, including court costs, attorneys' fees and expenses, fees and expenses of financial accountants, advisors, consultants, and appraisers, costs of collection by outside collection agencies, auctioneer fees and expenses, and costs of security guards or insurance premiums paid to maintain the Collateral, whether or not Borrowers are obligated to reimburse Agent or Lenders for such expenses pursuant to this Agreement or otherwise. Agent is authorized and directed to deduct and retain sufficient amounts from payments or proceeds of the Collateral received by Agent to reimburse Agent for such out-of-pocket costs and expenses prior to the distribution of any amounts to Lenders (or Bank Product Providers). In the event Agent is not reimbursed for such costs and expenses by the Loan Parties and their Subsidiaries, each Lender hereby agrees that it is and shall be obligated to pay to Agent such Lender's ratable share thereof. Whether or not the transactions contemplated hereby are consummated, each of the Lenders, on a ratable basis, shall indemnify and defend the Agent-Related Persons (to the extent not reimbursed by or on behalf of Borrowers and without limiting the obligation of Borrowers to do so) from and against any and all Indemnified Liabilities; provided, that no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities resulting solely from such Person's gross negligence or willful misconduct nor shall any Lender be liable for the obligations of any Defaulting Lender in failing to make a Revolving Loan or other extension of credit hereunder. Without limitation of the foregoing, each Lender shall reimburse Agent upon demand for such Lender's ratable share of any costs or out of pocket expenses (including attorneys, accountants, advisors, and consultants fees and expenses) incurred by Agent in connection with the preparation, execution, delivery, administration, modification, amendment, or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of

rights or responsibilities under, this Agreement or any other Loan Document to the extent that Agent is not reimbursed for such expenses by or on behalf of Borrowers. The undertaking in this Section shall survive the payment of all Obligations hereunder and the resignation or replacement of Agent.

**15.8. Agent in Individual Capacity.** Wells Fargo and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, provide Bank Products to, acquire Equity Interests in, and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with any Loan Party and its Subsidiaries and Affiliates and any other Person party to any Loan Document as though Wells Fargo were not Agent hereunder, and, in each case, without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, pursuant to such activities, Wells Fargo or its Affiliates may receive information regarding a Loan Party or its Affiliates or any other Person party to any Loan Documents that is subject to confidentiality obligations in favor of such Loan Party or such other Person and that prohibit the disclosure of such information to the Lenders (or Bank Product Providers), and the Lenders acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver Agent will use its reasonable best efforts to obtain), Agent shall not be under any obligation to provide such information to them. The terms “Lender” and “Lenders” include Wells Fargo in its individual capacity.

**15.9. Successor Agent.** Agent may resign as Agent upon 30 days prior written notice to the Lenders (unless such notice is waived by the Required Lenders) and Borrowers (unless such notice is waived by Borrowers or a Default or Event of Default has occurred and is continuing) and without any notice to the Bank Product Providers. If Agent resigns under this Agreement, the Required Lenders shall be entitled, with (so long as no Event of Default has occurred and is continuing) the consent of Borrowers (such consent not to be unreasonably withheld, delayed, or conditioned), appoint a successor Agent for the Lenders (and the Bank Product Providers). If, at the time that Agent’s resignation is effective, it is acting as an Issuing Bank or the Swing Lender, such resignation shall also operate to effectuate its resignation as an Issuing Bank or the Swing Lender, as applicable, and it shall automatically be relieved of any further obligation to issue Letters of Credit or to make Swing Loans. If no successor Agent is appointed prior to the effective date of the resignation of Agent, Agent may appoint, after consulting with the Lenders and Borrowers, a successor Agent. If Agent has materially breached or failed to perform any material provision of this Agreement or of applicable law, the Required Lenders may agree in writing to remove and replace Agent with a successor Agent from among the Lenders with (so long as no Event of Default has occurred and is continuing) the consent of Borrowers (such consent not to be unreasonably withheld, delayed, or conditioned). In any such event, upon the acceptance of its appointment as successor Agent hereunder, such successor Agent shall succeed to all the rights, powers, and duties of the retiring Agent and the term “Agent” shall mean such successor Agent and the retiring Agent’s appointment, powers, and duties as Agent shall be terminated. After any retiring Agent’s resignation hereunder as Agent, the provisions of this Section 15 shall inure to its benefit as to any actions taken or omitted to be

taken by it while it was Agent under this Agreement. If no successor Agent has accepted appointment as Agent by the date which is 30 days following a retiring Agent's notice of resignation, the retiring Agent's resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of Agent hereunder until such time, if any, as the Lenders appoint a successor Agent as provided for above.

**15.10. Lender in Individual Capacity.** Any Lender and its respective Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, provide Bank Products to, acquire Equity Interests in and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with any Loan Party and its Subsidiaries and Affiliates and any other Person party to any Loan Documents as though such Lender were not a Lender hereunder without notice to or consent of the other members of the Lender Group (or the Bank Product Providers). The other members of the Lender Group acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, pursuant to such activities, such Lender and its respective Affiliates may receive information regarding a Loan Party or its Affiliates or any other Person party to any Loan Documents that is subject to confidentiality obligations in favor of such Loan Party or such other Person and that prohibit the disclosure of such information to the Lenders, and the Lenders acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver such Lender will use its reasonable best efforts to obtain), such Lender shall not be under any obligation to provide such information to them.

**15.11. Collateral Matters.**

(a) The Lenders hereby irrevocably authorize (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent to release any Lien on any Collateral (i) upon the termination of the Commitments and payment and satisfaction in full by the Loan Parties and their Subsidiaries of all of the Obligations, (ii) constituting property being sold or disposed of if a release is required or desirable in connection therewith and if Borrowers certify to Agent that the sale or disposition is permitted under Section 6.4 (and Agent may rely conclusively on any such certificate, without further inquiry), (iii) constituting property in which no Loan Party or any of its Subsidiaries owned any interest at the time Agent's Lien was granted nor at any time thereafter, (iv) constituting property leased or licensed to a Loan Party or its Subsidiaries under a lease or license that has expired or is terminated in a transaction permitted under this Agreement, or (v) in connection with a credit bid or purchase authorized under this Section 15.11. The Loan Parties and the Lenders hereby irrevocably authorize (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent, based upon the instruction of the Required Lenders, to (a) consent to the sale of, credit bid, or purchase (either directly or indirectly through one or more entities) all or any portion of the Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code, including Section 363 of the Bankruptcy Code, (b) credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the Collateral at any sale or other disposition thereof conducted under the provisions of the Code, including pursuant to Sections 9-610 or 9-620 of the Code, or (c) credit bid or purchase (either

directly or indirectly through one or more entities) all or any portion of the Collateral at any other sale or foreclosure conducted or consented to by Agent in accordance with applicable law in any judicial action or proceeding or by the exercise of any legal or equitable remedy. In connection with any such credit bid or purchase, (i) the Obligations owed to the Lenders and the Bank Product Providers shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims being estimated for such purpose if the fixing or liquidation thereof would not impair or unduly delay the ability of Agent to credit bid or purchase at such sale or other disposition of the Collateral and, if such contingent or unliquidated claims cannot be estimated without impairing or unduly delaying the ability of Agent to credit bid at such sale or other disposition, then such claims shall be disregarded, not credit bid, and not entitled to any interest in the Collateral that is the subject of such credit bid or purchase) and the Lenders and the Bank Product Providers whose Obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their Obligations credit bid in relation to the aggregate amount of Obligations so credit bid) in the Collateral that is the subject of such credit bid or purchase (or in the Equity Interests of the any entities that are used to consummate such credit bid or purchase), and (ii) Agent, based upon the instruction of the Required Lenders, may accept non-cash consideration, including debt and equity securities issued by any entities used to consummate such credit bid or purchase and in connection therewith Agent may reduce the Obligations owed to the Lenders and the Bank Product Providers (ratably based upon the proportion of their Obligations credit bid in relation to the aggregate amount of Obligations so credit bid) based upon the value of such non-cash consideration; provided, that Bank Product Obligations not entitled to the application set forth in Section 2.4(b)(iii)(J), shall not be entitled to be, and shall not be, credit bid, or used in the calculation of the ratable interest of the Lenders and Bank Product Providers in the Obligations which are credit bid. Except as provided above, Agent will not execute and deliver a release of any Lien on any Collateral without the prior written authorization of (y) if the release is of all or substantially all of the Collateral, all of the Lenders (without requiring the authorization of the Bank Product Providers), or (z) otherwise, the Required Lenders (without requiring the authorization of the Bank Product Providers). Upon request by Agent or Borrowers at any time, the Lenders will (and if so requested, the Bank Product Providers will) confirm in writing Agent's authority to release any such Liens on particular types or items of Collateral pursuant to this Section 15.11; provided, that (1) anything to the contrary contained in any of the Loan Documents notwithstanding, Agent shall not be required to execute any document or take any action necessary to evidence such release on terms that, in Agent's opinion, could expose Agent to liability or create any obligation or entail any consequence other than the release of such Lien without recourse, representation, or warranty, and (2) such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly released) upon (or obligations of Borrowers in respect of) any and all interests retained by any Borrower, including, the proceeds of any sale, all of which shall continue to constitute part of the Collateral. Each Lender further hereby irrevocably authorizes (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to irrevocably authorize) Agent, at its option and in its sole discretion, to subordinate (by contract or otherwise) any Lien granted to or held by Agent on any property under any Loan Document (a) to the holder of any Permitted Lien on such property if such Permitted Lien secures purchase money Indebtedness (including Capitalized Lease Obligations) which constitute Permitted Indebtedness and (b) to the extent

Agent has the authority under this Section 15.11 to release its Lien on such property. Notwithstanding the provisions of this Section 15.11, the Agent shall be authorized, without the consent of any Lender and without the requirement that an asset sale consisting of the sale, transfer or other disposition having occurred, to release any security interest in any building, structure or improvement located in an area determined by the Federal Emergency Management Agency to have special flood hazards.

(b) Agent shall have no obligation whatsoever to any of the Lenders (or the Bank Product Providers) (i) to verify or assure that the Collateral exists or is owned by a Loan Party or any of its Subsidiaries or is cared for, protected, or insured or has been encumbered, (ii) to verify or assure that Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected, or enforced or are entitled to any particular priority, (iii) to verify or assure that any particular items of Collateral meet the eligibility criteria applicable in respect thereof, (iv) to impose, maintain, increase, reduce, implement, or eliminate any particular reserve hereunder or to determine whether the amount of any reserve is appropriate or not, or (v) to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to Agent pursuant to any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission, or event related thereto, subject to the terms and conditions contained herein, Agent may act in any manner it may deem appropriate, in its sole discretion given Agent's own interest in the Collateral in its capacity as one of the Lenders and that Agent shall have no other duty or liability whatsoever to any Lender (or Bank Product Provider) as to any of the foregoing, except as otherwise expressly provided herein.

#### **15.12. Restrictions on Actions by Lenders; Sharing of Payments.**

(a) Each of the Lenders agrees that it shall not, without the express written consent of Agent, set off against the Obligations, any amounts owing by such Lender to any Loan Party or its Subsidiaries or any deposit accounts of any Loan Party or its Subsidiaries now or hereafter maintained with such Lender. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by Agent, take or cause to be taken any action, including, the commencement of any legal or equitable proceedings to enforce any Loan Document against any Borrower or any Guarantor or to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(b) If, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of Collateral or any payments with respect to the Obligations, except for any such proceeds or payments received by such Lender from Agent pursuant to the terms of this Agreement, or (ii) payments from Agent in excess of such Lender's Pro Rata Share of all such distributions by Agent, such Lender promptly shall (A) turn the same over to Agent, in kind, and with such endorsements as may be required to negotiate the same to Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the Obligations in accordance with the applicable provisions of this Agreement, or (B) purchase, without recourse or warranty, an undivided interest and participation in the Obligations owed to the other Lenders so that such excess payment received

shall be applied ratably as among the Lenders in accordance with their Pro Rata Shares; provided, that to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment.

**15.13. Agency for Perfection.** Agent hereby appoints each other Lender (and each Bank Product Provider) as its agent (and each Lender hereby accepts (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to accept) such appointment) for the purpose of perfecting Agent's Liens in assets which, in accordance with Article 8 or Article 9, as applicable, of the Code can be perfected by possession or control. Should any Lender obtain possession or control of any such Collateral, such Lender shall notify Agent thereof, and, promptly upon Agent's request therefor shall deliver possession or control of such Collateral to Agent or in accordance with Agent's instructions.

**15.14. Payments by Agent to the Lenders.** All payments to be made by Agent to the Lenders (or Bank Product Providers) shall be made by bank wire transfer of immediately available funds pursuant to such wire transfer instructions as each party may designate for itself by written notice to Agent. Concurrently with each such payment, Agent shall identify whether such payment (or any portion thereof) represents principal, premium, fees, or interest of the Obligations.

**15.15. Concerning the Collateral and Related Loan Documents.** Each member of the Lender Group authorizes and directs Agent to enter into this Agreement and the other Loan Documents. Each member of the Lender Group agrees (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to agree) that any action taken by Agent in accordance with the terms of this Agreement or the other Loan Documents relating to the Collateral and the exercise by Agent of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders (and such Bank Product Provider).

**15.16. Field Examination Reports; Confidentiality; Disclaimers by Lenders; Other Reports and Information.** By becoming a party to this Agreement, each Lender:

(a) is deemed to have requested that Agent furnish such Lender, promptly after it becomes available, a copy of each field examination report respecting any Loan Party or its Subsidiaries (each, a "Report") prepared by or at the request of Agent, and Agent shall so furnish each Lender with such Reports,

(b) expressly agrees and acknowledges that Agent does not (i) make any representation or warranty as to the accuracy of any Report, and (ii) shall not be liable for any information contained in any Report,

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that Agent or other party performing any field

examination will inspect only specific information regarding the Loan Parties and their Subsidiaries and will rely significantly upon Borrowers' and their Subsidiaries' books and records, as well as on representations of Borrowers' personnel,

(d) agrees to keep all Reports and other material, non-public information regarding the Loan Parties and their Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 17.9, and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to Borrowers, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of Borrowers, and (ii) to pay and protect, and indemnify, defend and hold Agent, and any such other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who obtain all or part of any Report through the indemnifying Lender.

In addition to the foregoing, (x) any Lender may from time to time request of Agent in writing that Agent provide to such Lender a copy of any report or document provided by any Loan Party or its Subsidiaries to Agent that has not been contemporaneously provided by such Loan Party or such Subsidiary to such Lender, and, upon receipt of such request, Agent promptly shall provide a copy of same to such Lender, (y) to the extent that Agent is entitled, under any provision of the Loan Documents, to request additional reports or information from any Loan Party or its Subsidiaries, any Lender may, from time to time, reasonably request Agent to exercise such right as specified in such Lender's notice to Agent, whereupon Agent promptly shall request of Borrowers the additional reports or information reasonably specified by such Lender, and, upon receipt thereof from such Loan Party or such Subsidiary, Agent promptly shall provide a copy of same to such Lender, and (z) any time that Agent renders to Borrowers a statement regarding the Loan Account, Agent shall send a copy of such statement to each Lender.

**15.17. Several Obligations; No Liability.** Notwithstanding that certain of the Loan Documents now or hereafter may have been or will be executed only by or in favor of Agent in its capacity as such, and not by or in favor of the Lenders, any and all obligations on the part of Agent (if any) to make any credit available hereunder shall constitute the several (and not joint) obligations of the respective Lenders on a ratable basis, according to their respective Commitments, to make an amount of such credit not to exceed, in principal amount, at any one time outstanding, the amount of their respective Commitments. Nothing contained herein shall confer upon any Lender any interest in, or subject any Lender to any liability for, or in respect of, the business, assets, profits, losses, or liabilities of any other Lender. Each Lender shall be solely responsible for notifying its Participants of any matters relating to the Loan Documents to the extent any such notice may be required, and no Lender shall have any obligation, duty, or liability to any Participant of any other Lender. Except as provided in Section 15.7, no member

of the Lender Group shall have any liability for the acts of any other member of the Lender Group. No Lender shall be responsible to any Borrower or any other Person for any failure by any other Lender (or Bank Product Provider) to fulfill its obligations to make credit available hereunder, nor to advance for such Lender (or Bank Product Provider) or on its behalf, nor to take any other action on behalf of such Lender (or Bank Product Provider) hereunder or in connection with the financing contemplated herein.

**15.18. Joint Lead Arrangers and Joint Book Runners.** Each of the Joint Lead Arrangers and Joint Book Runners, in such capacities, shall not have any right, power, obligation, liability, responsibility, or duty under this Agreement other than those applicable to it in its capacity as a Lender, as Agent, as Swing Lender, or as Issuing Bank. Without limiting the foregoing, each of the Joint Lead Arrangers and Joint Book Runners, in such capacities, shall not have or be deemed to have any fiduciary relationship with any Lender or any Loan Party. Each Lender, Agent, Swing Lender, Issuing Bank, and each Loan Party acknowledges that it has not relied, and will not rely, on the Joint Lead Arrangers and Joint Book Runners acting in their capacities as such in deciding to enter into this Agreement or in taking or not taking action hereunder. Each of the Joint Lead Arrangers and Joint Book Runners, in such capacities, shall be entitled to resign at any time by giving notice to Agent and Borrowers.

## **16. WITHHOLDING TAXES.**

**16.1. Payments.** All payments made by any Loan Party under any Loan Document will be made free and clear of, and without deduction or withholding for, any Taxes, except as otherwise required by applicable law, and in the event any deduction or withholding of Taxes is required, the applicable Loan Party shall make the requisite withholding, promptly pay over to the applicable Governmental Authority the withheld tax, and furnish to Agent as promptly as possible after the date the payment of any such Tax is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the Loan Parties. Furthermore, if any such Tax is an Indemnified Taxes or an Indemnified Tax is so levied or imposed, the Loan Parties agree to pay the full amount of such Indemnified Taxes and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement, any note, or Loan Document, including any amount paid pursuant to this Section 16.1 after withholding or deduction for or on account of any Indemnified Taxes, will not be less than the amount provided for herein. The Loan Parties will promptly pay any Other Taxes or reimburse Agent for such Other Taxes upon Agent's demand. The Loan Parties shall jointly and severally indemnify each Indemnified Person (as defined in Section 10.3) (collectively a "Tax Indemnitee") for the full amount of Indemnified Taxes arising in connection with this Agreement or any other Loan Document or breach thereof by any Loan Party (including any Indemnified Taxes imposed or asserted on, or attributable to, amounts payable under this Section 16) imposed on, or paid by, such Tax Indemnitee and all reasonable costs and expenses related thereto (including fees and disbursements of attorneys and other tax professionals), as and when they are incurred and irrespective of whether suit is brought, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority (other than Indemnified Taxes and additional amounts that a court of competent jurisdiction finally determines to have

resulted from the gross negligence or willful misconduct of such Tax Indemnatee). The obligations of the Loan Parties under this Section 16 shall survive the termination of this Agreement, the resignation and replacement of the Agent, and the repayment of the Obligations.

## **16.2. Exemptions.**

(a) If a Lender or Participant is entitled to claim an exemption or reduction from United States withholding tax, such Lender or Participant agrees with and in favor of Agent, to deliver to Agent (or, in the case of a Participant, to the Lender granting the participation only) and the Administrative Borrower on behalf of all Borrowers one of the following before receiving its first payment under this Agreement:

(i) if such Lender or Participant is entitled to claim an exemption from United States withholding tax pursuant to the portfolio interest exception, (A) a statement of the Lender or Participant, signed under penalty of perjury, that it is not a (I) a “bank” as described in Section 881(c)(3)(A) of the IRC, (II) a 10% shareholder of any Borrower (within the meaning of Section 871(h)(3)(B) of the IRC), or (III) a controlled foreign corporation related to Borrowers within the meaning of Section 864(d)(4) of the IRC, and (B) a properly completed and executed IRS Form W-8BEN, Form W-8BEN-E or Form W-8IMY (with proper attachments as applicable);

(ii) if such Lender or Participant is entitled to claim an exemption from, or a reduction of, withholding tax under a United States tax treaty, a properly completed and executed copy of IRS Form W-8BEN or Form W-8BEN-E, as applicable;

(iii) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding tax because it is effectively connected with a United States trade or business of such Lender, a properly completed and executed copy of IRS Form W-8ECI;

(iv) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding tax because such Lender or Participant serves as an intermediary, a properly completed and executed copy of IRS Form W-8IMY (including a withholding statement and copies of the tax certification documentation for its beneficial owner(s) of the income paid to the intermediary, if required based on its status provided on the Form W-8IMY); or

(v) a properly completed and executed copy of any other form or forms, including IRS Form W-9, as may be required under the IRC or other laws of the United States as a condition to exemption from, or reduction of, United States withholding or backup withholding tax.

(b) Each Lender or Participant shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and to promptly notify Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the

participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(c) If a Lender or Participant claims an exemption from withholding tax in a jurisdiction other than the United States, such Lender or such Participant agrees with and in favor of Agent and Borrowers, to deliver to Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation only) any such form or forms, as may be required under the laws of such jurisdiction as a condition to exemption from, or reduction of, foreign withholding or backup withholding tax before receiving its first payment under this Agreement, but only if such Lender or such Participant is legally able to deliver such forms, or the providing of or delivery of such forms in the Lender's reasonable judgment would not subject such Lender to any material unreimbursed cost or expense or materially prejudice the legal or commercial position of such Lender (or its Affiliates); provided, further, that nothing in this Section 16.2(c) shall require a Lender or Participant to disclose any information that it deems to be confidential (including its tax returns). Each Lender and each Participant shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and promptly notify Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(d) If a Lender or Participant claims exemption from, or reduction of, withholding tax and such Lender or Participant sells, assigns, grants a participation in, or otherwise transfers all or part of the Obligations of Borrowers to such Lender or Participant, such Lender or Participant agrees to notify Agent and Administrative Borrower (or, in the case of a sale of a participation interest, to the Lender granting the participation only) of the percentage amount in which it is no longer the beneficial owner of Obligations of Borrowers to such Lender or Participant. To the extent of such percentage amount, Agent and Administrative Borrower will treat such Lender's or such Participant's documentation provided pursuant to Section 16.2(a) or 16.2(c) as no longer valid. With respect to such percentage amount, such Participant or Assignee may provide new documentation, pursuant to Section 16.2(a) or 16.2(c), if applicable. Borrowers agree that each Participant shall be entitled to the benefits of this Section 16 with respect to its participation in any portion of the Commitments and the Obligations so long as such Participant complies with the obligations set forth in this Section 16 with respect thereto.

(e) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable due diligence and reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), such Lender shall deliver to Agent (or, in the case of a Participant, to the Lender granting the participation only) at the time or times prescribed by law and at such time or times reasonably requested by Agent (or, in the case of a Participant, the Lender granting the participation) such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by Agent (or, in the case of a Participant, the Lender granting the participation) as may be necessary for Agent or Borrowers to comply with their obligations under FATCA and to determine that such Lender has complied with such

Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

### **16.3. Reductions.**

(a) If a Lender or a Participant is subject to an applicable withholding tax, Agent (or, in the case of a Participant, the Lender granting the participation) may withhold from any payment to such Lender or such Participant an amount equivalent to the applicable withholding tax. If the forms or other documentation required by Section 16.2(a) or 16.2(c) are not delivered to Agent (or, in the case of a Participant, to the Lender granting the participation), then Agent (or, in the case of a Participant, to the Lender granting the participation) may withhold from any payment to such Lender or such Participant not providing such forms or other documentation an amount equivalent to the applicable withholding tax.

(b) If the IRS or any other Governmental Authority of the United States or other jurisdiction asserts a claim that Agent (or, in the case of a Participant, to the Lender granting the participation) did not properly withhold tax from amounts paid to or for the account of any Lender or any Participant due to a failure on the part of the Lender or any Participant (because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify Agent (or such Participant failed to notify the Lender granting the participation) of a change in circumstances which rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason) such Lender shall indemnify and hold Agent harmless (or, in the case of a Participant, such Participant shall indemnify and hold the Lender granting the participation harmless) for all amounts paid, directly or indirectly, by Agent (or, in the case of a Participant, to the Lender granting the participation), as tax or otherwise, including penalties and interest, and including any taxes imposed by any jurisdiction on the amounts payable to Agent (or, in the case of a Participant, to the Lender granting the participation only) under this Section 16, together with all costs and expenses (including attorneys' fees and expenses). The obligation of the Lenders and the Participants under this subsection shall survive the payment of all Obligations and the resignation or replacement of Agent.

**16.4. Refunds.** If Agent or a Lender determines, in its sole discretion, that it has received a refund of any Indemnified Taxes to which the Loan Parties have paid additional amounts pursuant to this Section 16, so long as no Default or Event of Default has occurred and is continuing, it shall pay over such refund to the Administrative Borrower on behalf of the Loan Parties (but only to the extent of payments made, or additional amounts paid, by the Loan Parties under this Section 16 with respect to Indemnified Taxes giving rise to such a refund), net of all out-of-pocket expenses of Agent or such Lender and without interest (other than any interest paid by the applicable Governmental Authority with respect to such a refund); provided, that the Loan Parties, upon the request of Agent or such Lender, agrees to repay the amount paid over to the Loan Parties (plus any penalties, interest or other charges, imposed by the applicable Governmental Authority, other than such penalties, interest or other charges imposed as a result of the willful misconduct or gross negligence of Agent or Lender hereunder as finally determined by a court of competent jurisdiction) to Agent or such Lender in the event Agent or such Lender

is required to repay such refund to such Governmental Authority. Notwithstanding anything in this Agreement to the contrary, this Section 16 shall not be construed to require Agent or any Lender to make available its tax returns (or any other information which it deems confidential) to Loan Parties or any other Person or require Agent or any Lender to pay any amount to an indemnifying party pursuant to Section 16.4, the payment of which would place Agent or such Lender (or their Affiliates) in a less favorable net after-Tax position than such Person would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid.

## **17. GENERAL PROVISIONS.**

**17.1. Effectiveness.** This Agreement shall be binding and deemed effective when executed by each Borrower, Agent, and each Lender whose signature is provided for on the signature pages hereof.

**17.2. Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

**17.3. Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender Group or any Borrower, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

**17.4. Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

**17.5. Bank Product Providers.** Each Bank Product Provider in its capacity as such shall be deemed a third party beneficiary hereof and of the provisions of the other Loan Documents for purposes of any reference in a Loan Document to the parties for whom Agent is acting. Agent hereby agrees to act as agent for such Bank Product Providers and, by virtue of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Agent as its agent and to have accepted the benefits of the Loan Documents. It is understood and agreed that the rights and benefits of each Bank Product Provider under the Loan Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Agent and the right to share in payments and collections out of the Collateral as more fully set forth herein. In addition, each Bank Product Provider, by virtue of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Agent shall have the right, but shall have no obligation, to establish, maintain, relax, or release reserves in respect of the Bank Product Obligations and that if reserves are established there is no obligation on the part of Agent to determine or insure whether the amount of any such reserve is appropriate or not. In connection with any such distribution of payments or proceeds of Collateral, Agent shall

be entitled to assume no amounts are due or owing to any Bank Product Provider unless such Bank Product Provider has provided a written certification (setting forth a reasonably detailed calculation) to Agent as to the amounts that are due and owing to it and such written certification is received by Agent a reasonable period of time prior to the making of such distribution. Agent shall have no obligation to calculate the amount due and payable with respect to any Bank Products, but may rely upon the written certification of the amount due and payable from the applicable Bank Product Provider. In the absence of an updated certification, Agent shall be entitled to assume that the amount due and payable to the applicable Bank Product Provider is the amount last certified to Agent by such Bank Product Provider as being due and payable (*less* any distributions made to such Bank Product Provider on account thereof). Borrowers may obtain Bank Products from any Bank Product Provider, although Borrowers are not required to do so. Each Borrower acknowledges and agrees that no Bank Product Provider has committed to provide any Bank Products and that the providing of Bank Products by any Bank Product Provider is in the sole and absolute discretion of such Bank Product Provider. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder (or be deemed a Lender) solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required (other than in their capacities as Lenders, to the extent applicable) for any matter hereunder or under any of the other Loan Documents, including as to any matter relating to the Collateral or the release of Collateral or Guarantors.

**17.6. Debtor-Creditor Relationship.** The relationship between the Lenders and Agent, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. No member of the Lender Group has (or shall be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between the members of the Lender Group, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

**17.7. Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Execution of any such counterpart may be by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Agreement. Any party delivering an executed counterpart of this Agreement by faxed, scanned or photocopied manual signature shall also deliver an original manually executed counterpart, but the failure to deliver an original manually executed counterpart shall not affect

the validity, enforceability and binding effect of this Agreement. The foregoing shall apply to each other Loan Document mutatis mutandis.

**17.8. Revival and Reinstatement of Obligations; Certain Waivers.** If any member of the Lender Group or any Bank Product Provider repays, refunds, restores, or returns in whole or in part, any payment or property (including any proceeds of Collateral) previously paid or transferred to such member of the Lender Group or such Bank Product Provider in full or partial satisfaction of any Obligation or on account of any other obligation of any Loan Party under any Loan Document or any Bank Product Agreement, because the payment, transfer, or the incurrence of the obligation so satisfied is asserted or declared to be void, voidable, or otherwise recoverable under any law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent transfers, preferences, or other voidable or recoverable obligations or transfers (each, a "Voidable Transfer"), or because such member of the Lender Group or Bank Product Provider elects to do so on the reasonable advice of its counsel in connection with a claim that the payment, transfer, or incurrence is or may be a Voidable Transfer, then, as to any such Voidable Transfer, or the amount thereof that such member of the Lender Group or Bank Product Provider elects to repay, restore, or return (including pursuant to a settlement of any claim in respect thereof), and as to all reasonable costs, expenses, and attorneys' fees of such member of the Lender Group or Bank Product Provider related thereto, (i) the liability of the Loan Parties with respect to the amount or property paid, refunded, restored, or returned will automatically and immediately be revived, reinstated, and restored and will exist, and (ii) Agent's Liens securing such liability shall be effective, revived, and remain in full force and effect, in each case, as fully as if such Voidable Transfer had never been made. If, prior to any of the foregoing, (A) Agent's Liens shall have been released or terminated, or (B) any provision of this Agreement shall have been terminated or cancelled, Agent's Liens, or such provision of this Agreement, shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligation of any Loan Party in respect of such liability or any Collateral securing such liability. This provision shall survive the termination of this Agreement and the repayment in full of the Obligations.

**17.9. Confidentiality.**

(a) Agent and Lenders each individually (and not jointly or jointly and severally) agree that material, non-public information regarding the Loan Parties and their Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by Agent and the Lenders in a confidential manner, and shall not be disclosed by Agent and the Lenders to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to any member of the Lender Group and to employees, directors and officers of any member of the Lender Group (the Persons in this clause (i), "Lender Group Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates (other than Excluded Affiliates) of any member of the Lender Group (including the Bank Product Providers); provided, that any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the

terms of this Section 17.9, (iii) as may be required by regulatory authorities so long as such authorities are informed of the confidential nature of such information, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided, that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Borrowers with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrowers pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrowers, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process; provided, that (x) prior to any disclosure under this clause (vi) the disclosing party agrees to provide Borrowers with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrowers pursuant to the terms of the subpoena or other legal process and (y) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agent or the Lenders or the Lender Group Representatives), (viii) in connection with any assignment, participation or pledge of any Lender's interest under this Agreement; provided, that prior to receipt of Confidential Information any such assignee, participant, or pledgee shall have agreed in writing to receive such Confidential Information either subject to the terms of this Section 17.9 or pursuant to confidentiality requirements substantially similar to those contained in this Section 17.9 (and such Person may disclose such Confidential Information to Persons employed or engaged by them as described in clause (i) above), (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents; provided, that prior to any disclosure to any Person (other than any Loan Party, Agent, any Lender, any of their respective Affiliates, or their respective counsel) under this clause (ix) with respect to litigation involving any Person (other than any Borrower, Agent, any Lender, any of their respective Affiliates, or their respective counsel), the disclosing party agrees to provide Borrowers with prior written notice thereof, and (x) in connection with, and to the extent reasonably necessary for, the exercise of any secured creditor remedy under this Agreement or under any other Loan Document.

(b) Anything in this Agreement to the contrary notwithstanding, Agent and each Lender may disclose information concerning the terms and conditions of this Agreement and the other Loan Documents to loan syndication and pricing reporting services or in its marketing or promotional materials, with such information to be limited to deal terms and other information customarily found in such publications or marketing or promotional materials and may otherwise use the name, logos, and other insignia of any Borrower or the other Loan Parties and the Commitments provided hereunder in any "tombstone" or other advertisements, on its website or in other marketing materials of the Agent and the Lenders.

(c) Each Loan Party agrees that Agent may make materials or information provided by or on behalf of Borrowers hereunder (collectively, “Borrower Materials”) available to the Lenders by posting the Communications on IntraLinks, SyndTrak or a substantially similar secure electronic transmission system (the “Platform”). The Platform is provided “as is” and “as available.” Agent does not warrant the accuracy or completeness of the Borrower Materials, or the adequacy of the Platform and expressly disclaim liability for errors or omissions in the communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by Agent in connection with the Borrower Materials or the Platform. In no event shall Agent or any of the Agent-Related Persons have any liability to the Loan Parties, any Lender or any other person for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party’s or Agent’s transmission of communications through the Internet, except to the extent the liability of such person is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from such person’s gross negligence or willful misconduct. Each Loan Party further agrees that certain of the Lenders may be “public-side” Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Loan Parties or their securities). The Loan Parties shall be deemed to have authorized Agent and its Affiliates and the Lenders to treat Borrower Materials marked “PUBLIC” or otherwise at any time filed with the SEC as not containing any material non-public information with respect to the Loan Parties or their securities for purposes of United States federal and state securities laws. All Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated as “Public Investor” (or another similar term). Agent and its Affiliates and the Lenders shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” or that are not at any time filed with the SEC as being suitable only for posting on a portion of the Platform not marked as “Public Investor” (or such other similar term).

**17.10. Survival.** All representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agent, any Issuing Bank, or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of, or any accrued interest on, any Loan or any fee or any other amount payable under this Agreement is outstanding or unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or been terminated.

**17.11. Patriot Act; Due Diligence.** Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Loan Parties that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will

allow such Lender to identify each Loan Party in accordance with the Patriot Act. In addition, Agent and each Lender shall have the right to periodically conduct due diligence on all Loan Parties, their senior management and key principals and legal and beneficial owners. Each Loan Party agrees to cooperate in respect of the conduct of such due diligence and further agrees that the reasonable costs and charges for any such due diligence by Agent shall constitute Lender Group Expenses hereunder and be for the account of Borrowers.

**17.12. Integration.** This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. The foregoing to the contrary notwithstanding, all Bank Product Agreements, if any, are independent agreements governed by the written provisions of such Bank Product Agreements, which will remain in full force and effect, unaffected by any repayment, prepayments, acceleration, reduction, increase, or change in the terms of any credit extended hereunder, except as otherwise expressly provided in such Bank Product Agreement.

**17.13. OIS as Agent for Borrowers.** Each Borrower hereby irrevocably appoints OIS as the borrowing agent and attorney-in-fact for all Borrowers (the “Administrative Borrower”) which appointment shall remain in full force and effect unless and until Agent shall have received prior written notice signed by each Borrower that such appointment has been revoked and that another Borrower has been appointed Administrative Borrower. Each Borrower hereby irrevocably appoints and authorizes the Administrative Borrower (a) to provide Agent with all notices with respect to Revolving Loans and Letters of Credit obtained for the benefit of any Borrower and all other notices and instructions under this Agreement and the other Loan Documents (and any notice or instruction provided by Administrative Borrower shall be deemed to be given by Borrowers hereunder and shall bind each Borrower), (b) to receive notices and instructions from members of the Lender Group (and any notice or instruction provided by any member of the Lender Group to the Administrative Borrower in accordance with the terms hereof shall be deemed to have been given to each Borrower), and (c) to take such action as the Administrative Borrower deems appropriate on its behalf to obtain Revolving Loans and Letters of Credit and to exercise such other powers as are reasonably incidental thereto to carry out the purposes of this Agreement. It is understood that the handling of the Loan Account and Collateral in a combined fashion, as more fully set forth herein, is done solely as an accommodation to Borrowers in order to utilize the collective borrowing powers of Borrowers in the most efficient and economical manner and at their request, and that Lender Group shall not incur liability to any Borrower as a result hereof. Each Borrower expects to derive benefit, directly or indirectly, from the handling of the Loan Account and the Collateral in a combined fashion since the successful operation of each Borrower is dependent on the continued successful performance of the integrated group. To induce the Lender Group to do so, and in consideration thereof, each Borrower hereby jointly and severally agrees to indemnify each member of the Lender Group and hold each member of the Lender Group harmless against any and all liability, expense, loss or claim of damage or injury, made against the Lender Group by any Borrower or by any third party whosoever, arising from or incurred by reason of (i) the handling of the Loan Account and Collateral of Borrowers as herein provided, or (ii) the Lender Group’s relying on any instructions of the Administrative Borrower, except that Borrowers will have no liability to

the relevant Agent-Related Person or Lender-Related Person under this Section 17.13 with respect to any liability that has been finally determined by a court of competent jurisdiction to have resulted solely from the gross negligence or willful misconduct of such Agent-Related Person or Lender-Related Person, as the case may be.

**17.14. Acknowledgement and Consent to Bail-In of Affected Financial Institutions.** Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it, or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

**17.15. Acknowledgement Regarding Any Supported QFCs.** To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States). In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest

and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

**17.16. No Setoff.** All payments made by Borrowers hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense.

**17.17. Certain ERISA Matters.**

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments, or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of

Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other Loan Party, that the Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

As used in this Section 17.17, "Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the IRC or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the IRC) the assets of any such "employee benefit plan" or "plan."

#### **17.18. Erroneous Payments.**

(a) Each Lender, each Issuing Bank, each other Bank Product Provider and any other party hereto hereby severally agrees that if (i) Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or Issuing Bank or any Bank Product Provider (or the Lender which is an Affiliate of a Lender, Issuing Bank or Bank Product Provider) or any other Person that has received funds from Agent or any of its Affiliates, either for its own account or on behalf of a Lender, Issuing Bank or Bank Product Provider (each such recipient, a "Payment Recipient") that Agent has determined in its sole discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by Agent (or any of its Affiliates) with respect to such

payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 17.18(a), whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an “Erroneous Payment”), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section shall require Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a) (ii) above, it shall promptly notify Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of Agent, and upon demand from Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than one Business Day thereafter, return to Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to Agent at the greater of the Federal Funds Rate and a rate determined by Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by Agent for any reason, after demand therefor by Agent in accordance with immediately preceding clause (c), from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an “Erroneous Payment Return Deficiency”), then at the sole discretion of Agent and upon Agent’s written notice to such Lender (i) such Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Loans”) to Agent or, at the option of Agent, Agent’s applicable lending affiliate (such assignee, the “Agent Assignee”) in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Loans, the “Erroneous Payment Deficiency Assignment”) plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by Agent Assignee as the assignee of such Erroneous Payment Deficiency Assignment. Without limitation of its rights hereunder, following the effectiveness

of the Erroneous Payment Deficiency Assignment, Agent may make a cashless reassignment to the applicable assigning Lender of any Erroneous Payment Deficiency Assignment at any time by written notice to the applicable assigning Lender and upon such reassignment all of the Loans assigned pursuant to such Erroneous Payment Deficiency Assignment shall be reassigned to such Lender without any requirement for payment or other consideration. The parties hereto acknowledge and agree that (1) any assignment contemplated in this clause (d) shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 13 and (3) Agent may reflect such assignments in the Register without further consent or action by any other Person.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, Agent (1) shall be subrogated to all the rights of such Payment Recipient and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by Agent to such Payment Recipient from any source, against any amount due to Agent under this Section 17.18 or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by the Borrowers or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by Agent from the Borrowers or any other Loan Party for the purpose of making for a payment on the Obligations and (z) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

(f) Each party's obligations under this Section 17.18 shall survive the resignation or replacement of Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(g) The provisions of this Section 17.18 to the contrary notwithstanding, (i) nothing in this Section 17.18 will constitute a waiver or release of any claim of any party hereunder arising from any Payment Recipient's receipt of an Erroneous Payment and (ii) there will only be deemed to be a recovery of the Erroneous Payment to the extent that Agent has received payment from the Payment Recipient in immediately available funds the Erroneous Payment Return Deficiency, whether directly from the Payment Recipient, as a result of the exercise by Agent of its rights of subrogation or set off as set forth above in clause (e) or as a result of the receipt by Agent Assignee of a payment of the outstanding principal balance of the Loans assigned to Agent Assignee pursuant to an Erroneous Payment Deficiency Assignment, but excluding any other amounts in respect thereof (it being agreed that any payments of interest, fees, expenses or other amounts (other than principal) received by Agent Assignee in respect of

the Loans assigned to Agent Assignee pursuant to an Erroneous Payment Deficiency Assignment shall be the sole property of Agent Assignee and shall not constitute a recovery of the Erroneous Payment).

[Continued on following page.]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

**BORROWER: OIL STATES INTERNATIONAL, INC.,**  
a Delaware corporation

By:\_\_\_\_  
Name:\_\_\_\_  
Title:\_\_\_\_

[OIS—CREDIT AGREEMENT]

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association,  
as Agent, as Joint Lead Arranger, as Joint Book Runner, and as a Lender

By:\_\_\_

Name:\_\_\_

Its Authorized Signatory

[OIS—CREDIT AGREEMENT]

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**BANK OF AMERICA, N.A.**, a national banking association, as Joint Lead Arranger, as Joint Book Runner and as a Lender

By:\_\_\_  
Name:\_\_\_  
Title:\_\_\_

**JPMORGAN CHASE BANK, N.A.**, a national banking association, as Joint Lead Arranger, as Joint Book Runner and as a Lender

By:\_\_\_  
Name:\_\_\_  
Title:\_\_\_

\_\_\_\_\_,  
as a Lender

By:\_\_\_  
Name:\_\_\_  
Title:\_\_\_

### **Schedule 3.1**

The obligation of each Lender to make its initial extension of credit provided for in this Agreement is subject to the fulfillment, to the satisfaction of each Lender (the making of such initial extension of credit by any Lender being conclusively deemed to be its satisfaction or waiver of the following), of each of the following conditions precedent:

(a) the Closing Date shall occur on or before February 10, 2021;

(b) Agent shall have received appropriate Lien search results or certificates (including UCC lien search results or certificates and tax and judgment lien searches in the United States and other material jurisdictions) as of a recent date reflecting no prior Liens encumbering the assets of the Loan Parties other than those being released on or prior to the Closing Date or Permitted Liens;

(c) Agent shall have received financing statements in appropriate form for filing in such office or offices as may be necessary to perfect the Agent's Liens in and to the Collateral;

(d) Agent shall have received each of the following documents, in form and substance satisfactory to Agent, duly executed and delivered, and each such document shall be in full force and effect:

(i) this Agreement,

(ii) a completed Borrowing Base Certificate (which such Borrowing Base Certificate shall be delivered in accordance with the provisions of Section 5.2 of this Agreement),

(iii) [reserved],

(iv) [reserved,]

(v) [reserved],

(vi) the Fee Letter,

(vii) the Guaranty and Security Agreement,

(viii) the Intercompany Subordination Agreement,

(ix) a completed Perfection Certificate for each of the Loan Parties,

(x) the Patent Security Agreement,

(xi) the Trademark Security Agreement,

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(xii) a letter, in form and substance satisfactory to Agent, from Wells Fargo Bank, N.A., in its capacity as administrative agent under the Existing Credit Facility ("Existing Agent") to Agent respecting the amount necessary to repay in full all of the obligations of Borrowers and their respective Subsidiaries owing under the Existing Credit Facility,

(xiii) [reserved],

(xiv) an officer's closing certificate,

(xv) any notes requested by Lenders, and

(xvi) a funds flow relative to the closing of the transactions contemplated by this Agreement;

(e) Agent shall have received a certificate from the secretary, director or other Responsible Officer of each Loan Party (i) attesting to the resolutions of such Loan Party's board of directors (or similar governing body) authorizing its execution, delivery, and performance of the Loan Documents to which it is a party, (ii) authorizing specific officers of such Loan Party to execute the same, and (iii) attesting to the incumbency and signatures of such specific officers of such Loan Party;

(f) Agent shall have received copies of each Loan Party's Governing Documents, as amended, modified, or supplemented to the Closing Date, which Governing Documents shall be (i) certified by the secretary, director or other Responsible Officer of such Loan Party, and (ii) with respect to Governing Documents that are charter documents, certified as of a recent date (not more than 30 days prior to the Closing Date) by the appropriate governmental official;

(g) Agent shall have received a certificate of status with respect to each Loan Party, dated within 10 days of the Closing Date, such certificate to be issued by the appropriate officer of the jurisdiction of organization of such Loan Party, which certificate shall indicate that such Loan Party is in good standing (or its equivalent) in such jurisdiction;

(h) Agent shall have received certificates of status with respect to each Loan Party, each dated within 30 days of the Closing Date, such certificates to be issued by the appropriate officer of the jurisdictions (other than the jurisdiction of organization of such Loan Party) in which its failure to be duly qualified or licensed would constitute a Material Adverse Effect, which certificates shall indicate that such Loan Party is in good standing (or its equivalent) in such jurisdictions;

(i) Agent shall have received certificates of insurance, together with the endorsements thereto, as are required by Section 5.6 of this Agreement, the form and substance of which shall be satisfactory to Agent;

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(j) Agent shall have received opinions addressed to Agent and the Lenders dated the Closing Date, each in form and substance reasonably satisfactory to Agent, from (i) Simpson Thacher & Bartlett LLP, United States counsel to the Loan Parties and (ii) BakerHostetler, special Washington counsel to the Loan Parties;

(k) Borrowers shall have the Required Availability after giving effect to the initial extensions of credit under this Agreement, the issuance of the Letters of Credit on the Closing Date, and the payment of all fees and expenses required to be paid by Borrowers on the Closing Date under this Agreement or the other Loan Documents;

(l) Agent shall have completed its business, legal, and collateral due diligence, including (i) a field examination and review of Borrowers' and their respective Subsidiaries' books and records and verification of Borrowers' representations and warranties to Lender Group, (ii) an inspection of each of the locations where Borrowers' and their respective Subsidiaries' Inventory is located, and (iii) a review of Borrowers' and their respective Subsidiaries' material agreements, in each case, the results of which shall be satisfactory to Agent, in each case, the results of which shall be satisfactory to Agent;

(m) Agent shall have completed (i) Patriot Act searches, OFAC/PEP searches and customary individual background checks for each Loan Party, and (ii) OFAC/PEP searches and customary individual background searches for each Loan Party's senior management and key principals, the results of which shall be satisfactory to Agent;

(n) Agent shall have received a set of Projections of Borrowers for the 3 year period following the Closing Date (on a year by year basis, and for the 1 year period following the Closing Date, on a quarterly basis), in form and substance (including as to scope and underlying assumptions) satisfactory to Agent;

(o) Borrower shall have reimbursed Agent for all Lender Group Expenses incurred in connection with the transactions evidenced by this Agreement and the other Loan Documents to the extent invoiced on or prior to the Closing Date;

(p) Agent shall have received a solvency certificate, in form and substance satisfactory to it, certifying as to the solvency of the Loan Parties taken as a whole after giving effect to the transactions evidenced by this Agreement and the other Loan Documents and the incurrence of the initial funding under this Agreement on the Closing Date;

(q) At least five Business Days prior to the Closing Date, any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certification in relation to such Loan Party, which such Beneficial Ownership Certificate shall be complete and accurate in all respects;

(r) Borrowers and each of their respective Subsidiaries shall have received all licenses, approvals or evidence of other actions required by any Governmental Authority in connection with the execution and delivery by Borrowers or their respective Subsidiaries of the Loan Documents or with the consummation of the transactions contemplated thereby;

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- (s) Receipt by Agent of commitments from Lenders satisfactory to Agent in an amount of not less than \$125,000,000;
  - (t) the Lenders shall have received credit committee approval for the transactions contemplated by the Agreement; and
  - (u) all other documents and legal matters in connection with the transactions contemplated by this Agreement shall have been delivered, executed, or recorded and shall be in form and substance satisfactory to Agent.
-

**Schedule 5.1**

Deliver to Agent (and if so requested by Agent, with copies for each Lender) each of the financial statements, reports, or other items set forth below at the following times in form satisfactory to Agent:

|                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| as soon as available, but in any event within 30 days after the end of each of the first two fiscal months of each of Borrowers' fiscal quarters,      | <p>(a) an unaudited consolidated balance sheet, income statement, and statement of cash flow covering Borrowers' and their Subsidiaries' operations during such period and compared to the prior period and plan, together with any corresponding management reports prepared by OIS (on a basis consistent with its historical practices), and</p> <p>(b) a Compliance Certificate along with the underlying calculations, including the calculations to arrive at Consolidated EBITDA and Fixed Charge Coverage Ratio (regardless of whether a Covenant Testing Period is then in effect).</p> |
| as soon as available, but in any event within 50 days after the end of each of the first three fiscal quarters during each of Borrowers' fiscal years, | <p>(c) an unaudited consolidated balance sheet, income statement, statement of cash flow, and statement of stockholder's equity covering Borrowers' and their Subsidiaries' operations during such period and compared to the prior period, and</p> <p>(d) a Compliance Certificate along with the underlying calculations, including the calculations to arrive at EBITDA and Fixed Charge Coverage Ratio (regardless of whether a Covenant Testing Period is then in effect).</p>                                                                                                              |

|                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| as soon as available, but in any event within 90 days after the end of each of Administrative Borrower's fiscal years,                                                                     | <p>(e) consolidated financial statements of Borrowers and their Subsidiaries for each such fiscal year, audited by independent certified public accountants reasonably acceptable to Agent and certified, without any qualifications (including any (i) "going concern" or like qualification or exception, (ii) qualification or exception as to the scope of such audit, or (iii) qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item, the effect of which would be to cause any noncompliance with the provisions of <u>Section 7</u> of the Agreement), except as resulting from the impending maturity of any Indebtedness within the 12-month period following the relevant audit date, by such accountants to have been prepared in accordance with GAAP (such audited financial statements to include a balance sheet, income statement, statement of cash flow, and statement of stockholder's equity, and, if prepared, such accountants' letter to management), and</p> <p>(f) a Compliance Certificate along with the underlying calculations, including the calculations to arrive at Consolidated EBITDA and Fixed Charge Coverage Ratio (regardless of whether a Covenant Testing Period is then in effect).</p> |
| as soon as available, but in any event within 60 after the start of each of Administrative Borrower's fiscal years,                                                                        | (g) copies of Borrowers' Projections, in form and substance (including as to scope and underlying assumptions) satisfactory to Agent, in its Permitted Discretion, for the forthcoming three years, year by year, and for the forthcoming fiscal year, quarter by quarter, certified by the chief financial officer of Administrative Borrower as being such officer's good faith estimate of the financial performance of Borrowers and their Subsidiaries during the period covered thereby.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| if and when filed by Administrative Borrower,                                                                                                                                              | (h) Form 10-Q quarterly reports and Form 10-K annual reports.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| promptly, but in any event within 5 Business Days after a Responsible Officer of any Loan Party has knowledge of any event or condition that constitutes a Default or an Event of Default, | (i) notice of such event or condition and a statement of the curative action that Borrowers propose to take with respect thereto.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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| promptly after the commencement thereof, but in any event within 5 days after the service of process with respect thereto on any Borrower or any of its Subsidiaries, | (j) notice of all actions, suits, or proceedings brought by or against any Borrower or any of its Subsidiaries before any Governmental Authority which reasonably could be expected to result in a Material Adverse Effect. |
| upon the written request of Agent,                                                                                                                                    | (k) any other information reasonably requested relating to the financial condition of any Borrower or its Subsidiaries.                                                                                                     |

Documents required to be delivered pursuant to clauses (c), (e), and (h) of this Schedule 5.1 may be delivered electronically and shall be deemed to have been delivered if such documents, or one or more annual, quarterly or other reports or filings containing such documents (including, in the case of certifications required pursuant to clause (c), the certifications accompanying any such quarterly report pursuant to Section 302 of the Sarbanes-Oxley Act of 2002), (i) shall have been posted on or provided a link to Administrative Borrower's website on the Internet at [www.oilstatesintl.com](http://www.oilstatesintl.com), (ii) shall be available on the website of the SEC at <http://www.sec.gov> or (iii) shall have been posted on Administrative Borrower's behalf on SyndTrak or another website, if any, to which each Lender and Agent have access (whether a commercial, third-party website or whether sponsored by Agent); provided that, in each of the foregoing cases, a link to such materials is delivered electronically by Administrative Borrower to Agent within the applicable deadlines.

### Schedule 5.2

Provide Agent (and if so requested by Agent, with copies for each Lender) with each of the documents set forth below at the following times in form satisfactory to Agent:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p>If (x) no Increased Reporting Period is in effect, monthly (no later than the 30th day of each month, or the 28<sup>th</sup> day of February or the 29<sup>th</sup> day of February in any leap year), or (y) an Increased Reporting Period is in effect, with respect to all items other than clause (c), weekly (no later than Wednesday of each week, commencing with the first such day to occur during any Increased Reporting Period),</p> | <p>(a) a completed Borrowing Base Certificate (which such Borrowing Base Certificate shall be delivered in accordance with the provisions of <u>Section 5.2</u> of this Agreement), calculating the Borrowing Base,</p> <p>(b) a detailed aging, by total, of each Borrowing Base Party's billed and unbilled Accounts (in the case of unbilled Accounts, aged by reference to the completion date with respect to those divisions for which such data was provided to Agent prior to the Closing Date), together with a reconciliation and supporting documentation for any reconciling items noted and detailing which billed and unbilled Accounts are related to progress or milestone billings, or which are otherwise conditioned upon the applicable Borrowing Base Party's completion of any further performance or service,</p> <p>(c) a monthly Account roll-forward, in a format acceptable to Agent in its discretion, tied to the beginning and ending account receivable balances of the Borrowing Base Parties' general ledger,</p> <p>(d) a detailed calculation of those Accounts that are not eligible for the Borrowing Base,</p> <p>(e) notice of all claims, offsets, or disputes asserted by Account Debtors with respect to each Borrowing Base Party's Accounts,</p> <p>(f) Inventory system/perpetual reports specifying the carrying value (calculated using costing methodologies on a basis consistent with OIS's historical accounting practices and those reports provided to Agent prior to the Closing Date) of each Borrowing Base Party's Inventory, by category, with additional detail showing a detailed calculation of Inventory categories that are not eligible for the Borrowing Base,</p> <p>(g) a detailed aging, by vendor, of each Loan Party's accounts payable and any book overdraft and an aging, by vendor, of any held checks, and</p> <p>(h) a detailed report regarding each Loan Party's and its Subsidiaries' cash and Cash Equivalents.</p> |
| <p>Monthly (no later than the 30th day of each month, or the 28<sup>th</sup> day of February),</p>                                                                                                                                                                                                                                                                                                                                                  | <p>(i) a reconciliation of Accounts, accounts payable, and Inventory of the Borrowing Base Parties' general ledger to its monthly financial statements, including any book reserves related to each category.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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| Quarterly (no later than the 50th day after the end of each fiscal quarter),            | <p>(j) a report regarding each Loan Party's and its Subsidiaries' accrued, but unpaid, <i>ad valorem</i> taxes, and</p> <p>(k) a detailed list of each Loan Party's and its Subsidiaries' customers in respect of all Accounts, with address and contact information.</p>                                                                                                                                                       |
| Annually (no later than the 90th day after the end of each fiscal year),                | (l) [reserved].                                                                                                                                                                                                                                                                                                                                                                                                                 |
| promptly but in any event within 2 days after any Loan Party acquires any Margin Stock, | (m) notice of such acquisition, together with a description of the Margin Stock and a Form U-1 (with sufficient additional originals thereof for each Lender) duly executed and delivered by the Borrowers, together with such other documentation as Agent shall reasonably request, in order to enable Agent and the Lenders to comply with any of the requirements under Regulations T, U or X of the Federal Reserve Board. |

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| Upon request by Agent, | <p>(n) copies of purchase orders and invoices for Inventory acquired by any Loan Party or its Subsidiaries,</p> <p>(o) copies of invoices together with corresponding shipping and delivery documents, and credit memos together with corresponding supporting documentation, with respect to invoices and credit memos in excess of an amount determined in the sole discretion of Agent, from time to time,</p> <p>(p) any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification,</p> <p>(q) such other reports as to the Collateral of any Loan Party and its Subsidiaries, as Agent may reasonably request,</p> <p>(r) a report (in writing, if requested by the Agent) regarding the status of claims, arbitration, or litigation relating to the Seller Note and claims, arbitration, or litigation relating to any indemnification claims relating to the acquisition by OIS of GEODynamics in January, 2018 (excluding any information which is subject to attorney-client or similar privilege),</p> <p>(s) a report, in form and substance reasonably satisfactory to the Agent, listing all Accounts of each Borrowing Base Party which represent progress or milestone billings, or which are otherwise conditioned upon the applicable Borrowing Base Party's completion of any further performance or service, which report shall include, with respect to each such Account and the related underlying contract, (i) the name of the applicable Account Debtor, (ii) the aggregate amount actually paid (and a good faith estimate of the amount remaining to be or expected to be paid) by the applicable Account Debtor with respect to the underlying contract (assuming completion thereof by the applicable Borrowing Base Party) as of the last day of the then most recently ended fiscal month, (iii) the dollar amount of performance or service remaining to be provided by the applicable Borrowing Base Party with respect to such Account, and (iv) whether any amount payable by such Account Debtor in respect of the underlying contract is past due, and</p> <p>(t) within 90 days of such request and in any event not more frequently than annually, a Perfection Certificate or a supplement to the Perfection Certificate (<u>provided</u>, that Borrowers shall, on or before March 31, 2024, deliver to Agent a Perfection Certificate with respect to the fiscal year ended December 31, 2023).</p> |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Schedule C-1

| <b>Lender</b>                             | <b>Revolver Commitment</b> |
|-------------------------------------------|----------------------------|
| Wells Fargo Bank, National Association    | \$32,000,000               |
| JPMorgan Chase Bank, N.A.                 | \$28,000,000               |
| Bank of America, N.A.                     | \$28,000,000               |
| Zions Bancorporation, N.A. dba Amegy Bank | \$12,000,000               |
| <b>TOTAL</b>                              | <b>\$100,000,000</b>       |

**CERTIFICATION OF  
CHIEF EXECUTIVE OFFICER  
OF OIL STATES INTERNATIONAL, INC.  
PURSUANT TO RULE 13a-14(a) UNDER THE  
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Cindy B. Taylor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oil States International, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Cindy B. Taylor

Name: Cindy B. Taylor

President and Chief Executive Officer

Date: July 31, 2025

**CERTIFICATION OF  
CHIEF FINANCIAL OFFICER  
OF OIL STATES INTERNATIONAL, INC.  
PURSUANT TO RULE 13a-14(a) UNDER THE  
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Lloyd A. Hajdik, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oil States International, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik  
Executive Vice President, Chief Financial Officer and  
Treasurer

Date: July 31, 2025

**CERTIFICATION OF  
CHIEF EXECUTIVE OFFICER  
OF OIL STATES INTERNATIONAL, INC.  
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Oil States International, Inc. for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Cindy B. Taylor, President and Chief Executive Officer of Oil States International, Inc. (the "Company"), hereby certify, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Cindy B. Taylor

Name: Cindy B. Taylor  
President and Chief Executive Officer

Date: July 31, 2025

**CERTIFICATION OF  
CHIEF FINANCIAL OFFICER  
OF OIL STATES INTERNATIONAL, INC.  
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Oil States International, Inc. for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd A. Hajdik, Executive Vice President, Chief Financial Officer and Treasurer of Oil States International, Inc. (the “Company”), hereby certify, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik  
Executive Vice President, Chief Financial Officer and  
Treasurer

Date: July 31, 2025